

6760. By Mr. WHITTINGTON: Petition of the State of Mississippi, requesting an appropriation of \$250,000 for a General Samuel Dale National Shrine; to the Committee on the Library.

6761. Also, petition of the Legislature of the State of Mississippi, urging the establishment of a Regular Army or military post in the State of Mississippi; to the Committee on Military Affairs.

6762. By the SPEAKER: Petition of the United Electrical, Radio, and Machine Workers of America, Milwaukee, Wis., petitioning consideration of their resolution with reference to House bills 4905, 4907, 4909, 3030, 3031, 3032, 3033, 3392, 130, and 163, antialien bills; to the Committee on Immigration and Naturalization.

6763. Also, petition of the Perth Amboy Republican Club, Perth Amboy, N. J., petitioning consideration of their resolution with reference to the election of Presidents; to the Committee on the Judiciary.

6764. Also, petition of the National Association of Tobacco Distributors, Inc., New York, petitioning consideration of their resolution with reference to the so-called Tydings-Miller law; to the Committee on the Judiciary.

SENATE

MONDAY, MARCH 4, 1940

The Chaplain, Rev. ZēBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, whose love for us is so constant that it passeth understanding, whose justice is wider than our mercy and whose purpose is greater than our prayer: We commit ourselves and our Nation to Thy holy keeping, for Thou knowest our frame, Thou rememberest that we are but dust; help us therefore to trust only in that forgiveness which needs not to forget.

We pray especially today that Thy choicest blessings may rest upon our President, who once again before Thy sanctuary has renewed his pledge of fealty and devotion to his country and his God. May he cast upon Thee all his cares and the overheavy burdens of his high and holy office, and may he set before his eyes Thy watchful eye and Thine uncorrupted judgment, that the people of America may find Thy way to be the way of holiness which leads to everlasting peace for all mankind. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, February 29, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calhoun, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 424) to authorize the United States Maritime Commission to acquire certain lands at St. Petersburg, Fla.

The message also announced that the House had passed the bill (S. 635) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 7809. An act authorizing the reconstruction or replacement of certain bridges necessitated by the Rio Grande canalization project and authorizing appropriation for that purpose; and

H. R. 8668. An act making appropriations for the fiscal year ended June 30, 1941, for civil functions administered by the War Department, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 643. An act authorizing the payment of necessary expenses incurred by certain Indians allotted on the Quinalt Reservation, State of Washington; and

S. 1935. An act to extend until March 4, 1944, the time during which petitions may be filed by farmers under section 75 of the Bankruptcy Act.

ENROLLED BILL SIGNED DURING ADJOURNMENT

Under authority of the order of the 29th ultimo, The VICE PRESIDENT announced his signature on February 29, 1940, after adjournment of the Senate, to the enrolled bill (S. 3069) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, which had been signed previously by the Speaker of the House of Representatives.

REPORT OF THE COMMISSION OF FINE ARTS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on the Library:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Commission of Fine Arts of their activities during the period January 1, 1935, to December 31, 1939.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1940.

[NOTE.—Report accompanied similar message to the House of Representatives.]

DISBURSEMENTS OF FUNDS UNDER "STATE ACCOUNT OF ADVANCES"

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State and the accompanying draft of proposed legislation designed to permit the Secretary of State to authorize disbursements of appropriated funds under a "State account of advances."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1940.

[Enclosures: 1. Report of the Secretary of State. 2. Draft of proposed bill.]

TELEPHONES IN OFFICIAL RESIDENCES, FOREIGN SERVICE

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States:

There are transmitted herewith a report of the Secretary of State and a draft of a proposed amendment to existing legislation designed primarily to provide for the installation and maintenance of telephones in the official residences of American Ambassadors, Ministers, and officers of the Foreign Service, which the Government is acquiring by purchase or lease, or constructing in various foreign countries under the provisions of the Foreign Service Buildings Act of May 7, 1926.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1940.

[Enclosures: 1. Report of the Secretary of State. 2. Draft of a proposed amendment to the act of August 23, 1912, 37 Stat. 414.]

JUDGMENTS RENDERED BY THE COURT OF CLAIMS (S. DOC. NO. 151)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States transmitting a proposed provision of legislation relating to a judgment

rendered by the Court of Claims, amounting to \$4,233.65, in favor of William W. Brunswick, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS FOR DAMAGES TO PRIVATELY OWNED PROPERTY (S. DOC. NO. 152)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting estimates of appropriations to pay claims for damages to privately owned property, amounting to \$6,705.28, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIM FOR DAMAGES—RIVER AND HARBOR WORK (S. DOC. NO. 153)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States transmitting an estimate of appropriation to pay a claim for damages under river and harbor work, War Department, amounting to \$1,470.11, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS FOR DAMAGES BY COLLISION WITH NAVAL VESSELS (S. DOC. NO. 154)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States transmitting an estimate of appropriation to pay a claim for damages by collision incident to the operation of vessels of the Navy, amounting to \$251, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

JUDGMENTS RENDERED BY THE COURT OF CLAIMS (S. DOC. NO. 155)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States transmitting, pursuant to law, a list of judgments rendered by the Court of Claims, amounting to \$339,011.72, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

JUDGMENT RENDERED AGAINST THE GOVERNMENT BY DISTRICT COURT (S. DOC. NO. 156)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States transmitting, pursuant to law, a record of judgment rendered against the Government by a United States district court, amounting to \$8,093.68, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS ALLOWED BY GENERAL ACCOUNTING OFFICE (S. DOC. NO. 157)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States transmitting, pursuant to law, a schedule of claims allowed by the General Accounting Office, amounting to \$95,773.50, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

JUDGMENTS RENDERED AGAINST THE GOVERNMENT BY DISTRICT COURTS (S. DOC. NO. 158)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States transmitting, pursuant to law, records of judgments rendered against the Government by United States district courts, amounting to \$2,031.52, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS ALLOWED BY GENERAL ACCOUNTING OFFICE (S. DOC. NO. 159)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States transmitting, pursuant to law, an estimate of appropriation for payment of certain claims allowed by the General Accounting Office, amounting to \$45.60, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

REPORT OF MARITIME LABOR BOARD

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Maritime Labor Board, transmitting, pursuant to law, its report, dated March 1, 1940, which, with

the accompanying report, was referred to the Committee on Commerce.

REPORT OF FEDERAL POWER COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Power Commission, transmitting, pursuant to law, the Nineteenth Annual Report of the Commission, together with a statement showing the names, titles, and compensation of members and employees of the Commission, which, with the accompanying papers, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of California, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Resolution 6

Relative to memorializing the President and the Congress of the United States to enact S. 2212, relating to the development of marketing and marketing services for farm commodities

Whereas the marketing of agricultural products is a matter of deep concern to the people of this State; and

Whereas there is now pending before the Congress of the United States a bill designated S. 2212, to provide for the development of marketing and marketing services for farm commodities; and

Whereas said bill proposes to appropriate \$5,000,000 to be apportioned to the several States for the purpose of organizing, fostering, promoting, and developing marketing and marketing services for farm commodities in order to provide a steady flow of standardized farm commodities to centers of distribution; and

Whereas the purposes of said bill are in all respects desirable and the enactment of said bill would be highly beneficial to the agricultural industry of this State as well as other States: Now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Legislature of the State of California hereby respectfully urges and memorializes the President and the Congress of the United States to enact S. 2212 now pending in the Congress; and be it further

Resolved, That the secretary of the senate is hereby directed to send copies of this resolution to the President and the Vice President of the United States, the Speaker of the House of Representatives, and to each Member of the Senate and the House of Representatives in the Congress of the United States from California.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of New York, which was referred to the Committee on the Judiciary:

STATE OF NEW YORK, IN SENATE,

Albany, February 26, 1940.

Whereas on September 17, 1796, George Washington, first President of the United States, delivered his farewell address to the American people; and

Whereas on that day the Father of our Country set down certain suggestions for the guidance of the American people; and

Whereas by his refusal to seek election for the third time he established a tradition that to this day has remained unbroken; and

Whereas in his farewell address President Washington said, "Friends and citizens, the period for a new election of a citizen to administer the Executive Government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution that I have formed, to decline being considered among the number of those out of whom a choice is to be made;" and

Whereas this tradition of a President of the United States of not seeking election for a third term forms the one remaining bulwark protecting the people of this Nation against the threat of the establishment of a dictatorship; and

Whereas with the establishment of a dictatorship the minorities now accorded their rights under our Constitution will be swept aside and accorded the same treatment now given them in certain countries of Europe: Now, therefore, be it

Resolved (if the assembly concur), That the Congress of the United States be and hereby is memorialized to enact suitable legislation to prevent any President from seeking a third term, and that a copy of this resolution be transmitted to the Vice President, the Speaker of the House of Representatives, and each Member of Congress from New York State.

By order of the senate,

WILLIAM S. KING, Clerk.

IN ASSEMBLY, February 27, 1940.

Concurred in without amendment.

By order of the Assembly,

ANSLEY B. BORKOWSKI, Clerk.

The VICE PRESIDENT also laid before the Senate a resolution adopted at a meeting of the Perth Amboy Republicans, Perth Amboy, N. J., favoring the enactment of legislation to

prevent any President of the United States from seeking a third term in the Presidential office, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution of the Port Isabel-San Benito Navigation District, of Cameron County, Tex., favoring the retention of river and harbor work under the Corps of Engineers of the Army, War Department, which was referred to the Committee on Commerce.

He also laid before the Senate a resolution adopted by the Industrial Traffic Managers Conference, Los Angeles, Calif., representing 137 major industrial concerns in southern California, relative to the problem of water transportation from Los Angeles Harbor to the Panama Canal Zone, especially in connection with the matter of the construction of new locks, barracks, airports, etc., for purposes of national defense in the Canal Zone, which was referred to the Committee on Commerce.

He also laid before the Senate a resolution adopted by the Young Democrats of San Diego, Calif., opposing loans to foreign powers either for their own wars or in aid of the wars of other powers, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the Council of the City of Los Angeles, Calif., favoring the enactment of pending legislation to assist the States in the improvement of highways, and also to authorize the Federal Government to acquire rights-of-way for road projects so as to help cities solve the problem of traffic congestion, which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate resolutions of the C. & R. National Farm Loan Association, of Crockett, and the Western National Farm Loan Association, of Muleshoe, both in the State of Texas, favoring restoration of the Farm Credit Administration to the status of an independent bureau and the placing of the operations of the Federal land banks, national farm-loan associations, and other units of the Administration under the supervision of a bipartisan board appointed by the President, by and with the advice and consent of the Senate, which were referred to the Select Committee on Government Organization.

Mr. CAPPER presented a petition of sundry citizens of Ulysses, Kans., praying for the enactment of the bill (S. 517) to amend the Communications Act of 1934 to prohibit the advertising of alcoholic beverages by radio, which was ordered to lie on the table.

Mr. HOLT presented a paper in the nature of a petition from the Marion County Medical Society of West Virginia, favoring the enactment of legislation to establish a national department of health, the executive officer of which shall be a physician holding the degree of doctor of medicine and who shall be a member of the President's Cabinet as the Secretary of Health, which was referred to the Select Committee on Government Organization.

Mr. WALSH presented a resolution of the Massachusetts Women's Political Club, protesting against the enforced 30-day furlough of relief workers, and favoring the appropriation of sufficient funds for work relief until a solution is found for the unemployment problem, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the League for Peace Action, of Stoneham, Mass., favoring further extension of the law providing for reciprocal-trade agreements with foreign nations, which was referred to the Committee on Finance.

Mr. BARBOUR. Mr. President, I present a concurrent resolution of the Legislature of New Jersey and ask that it may be incorporated in the RECORD at this point, under the rule, and referred to the appropriate committee.

The concurrent resolution was referred to the Committee on Foreign Relations, as follows:

Concurrent resolution memorializing the United States Senate not to ratify the pending treaty with the Dominion of Canada for building the St. Lawrence seaway

Whereas there is out-spoken opposition on the part of the people of this State with the proposed treaty, pursuant to which a ship

canal will be constructed along the St. Lawrence River under the joint auspices and joint expense of the United States of America and the Dominion of Canada; and

Whereas the treaty provides that the United States is to expend for its share the sum of over \$250,000,000, and it has been estimated by reliable authorities that the actual cost will be from \$712,000,000 to \$1,350,000,000, of which the United States should bear its proportionate share; and

Whereas the cost of this canal would represent an added burden to taxpayers and would create an unregulated and subsidized means of transportation; and

Whereas the principal advantages would accrue to Canada rather than to the United States in the development of more ports and shipping facilities; and

Whereas the use of the proposed canal, which would be closed to navigation for 5 months of the year, would in no way justify the cost, it would nevertheless tend to take some shipping from the port of New York in which the State of New Jersey has a large interest; and

Whereas the record distinctly shows that the completion of the St. Lawrence seaway is intended to decrease the movement of traffic via United States rail lines, and, if successful, would be detrimental to our transportation system, its employees, and the public in general; be it

Resolved by the Senate of the State of New Jersey (the house of assembly concurring): That the Senate of the United States, and particularly the Senators elected from New Jersey, be memorialized and requested to not ratify the treaty for the proposed St. Lawrence deep waterway; and be it further

Resolved, That a copy of this resolution be immediately transmitted to the Secretary of the United States Senate and to each Senator elected from the State of New Jersey.

The VICE PRESIDENT laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Foreign Relations.

Mr. BILBO. Mr. President, on behalf of my colleague [Mr. HARRISON] and myself, I present a resolution or memorial adopted unanimously by the Mississippi Legislature urging the Congress to restore the appropriation stricken out by the House of Representatives for the continuation of the program under the Bankhead-Jones Farm Tenant Purchase Act.

At the same time I present a resolution adopted by the Mississippi Farm Security Administration Advisory Committee to the same effect. I ask that both resolutions be printed in the RECORD as a part of my remarks, because today in American agriculture the problem of farm tenancy is a very live one. In Mississippi alone 70 percent of the farmers are tenants and in the United States as a whole 50 percent of the farmers are tenants. The Senate Committee on Agriculture and Forestry realizes, I think, the seriousness of the situation, and I believe the resolutions will be worth reading by Members of the Senate.

The VICE PRESIDENT. The resolutions will be received, printed in the RECORD, and referred to the Committee on Agriculture and Forestry.

The resolutions referred to are as follows:

House Concurrent Resolution 21

House concurrent resolution memorializing the Congress of the United States to continue the program of the Bankhead-Jones Farm Tenant Purchase Act

Whereas the Bankhead-Jones Tenant Purchase Act has resulted in great benefits to the State of Mississippi during the last 3 years, giving to approximately 1,400 farm families the privilege of acquiring farm homes; and

Whereas this legislation points to the solution of one of the major agricultural problems in this region; and

Whereas this is a self-liquidating program, the elimination of which would not substantially affect the national budgetary problem: Now, therefore, be it

Resolved by the House of Representatives of the State of Mississippi (the senate concurring therein): That the Congress of the United States be memorialized to make the appropriation recommended by the President to continue the program of the Bankhead-Jones Farm Tenant Purchase Act; and be it further

Resolved, That the program of rural habilitation now being conducted by the Farm Security Administration and under which 25,000 Mississippi farmers are being aided by small loans and technical guidance to become self-sufficient be encouraged by the Congress and measures adopted for its continuance on its present basis.

Whereas the House Committee on Appropriations removed from the agricultural appropriation bill the \$25,000,000 proposed in the Budget for tenant purchase under the Bankhead-Jones Farm Tenant Act; and

Whereas the State of Mississippi has a large percentage of tenant farmers who are eager to become home owners, evidenced by the fact that 24,000 applications for tenant purchase loans have been presented to the committees in the respective counties; and

Whereas the administration of the tenant purchase program in Mississippi and the purchasing and building of homes for worthy tenants have aroused sympathetic interest on the part of the public. Our people are favorably impressed with the fact that these tenants can become successful landowners: Now, therefore, be it

Resolved by the Mississippi Farm Security Administration Advisory Committee, That in the interest of the thousands of worthy tenant farmers in the State, you use your influence and best efforts to have the \$25,000,000 proposed in the Budget reinstated in the agricultural appropriation bill now pending in the Senate of the United States; be it further

Resolved, That the chairman of the Mississippi Farm Security Administration Advisory Committee, Mr. P. F. Williams, is hereby authorized and instructed to transmit copies of this resolution to the Senators and Congressmen from Mississippi.

REPORTS OF COMMITTEES

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (S. 2455) to confer jurisdiction on the Court of Claims to hear and determine the claim of Mount Vernon, Alexandria & Washington Railway Co., a corporation, reported it adversely and submitted a report (No. 1261) thereon.

Mr. VAN NUYS, from the Committee on Expenditures in the Executive Departments, to which was referred the bill (H. R. 6693) to amend the provisions of law relating to the use of private vehicles for official travel in order to effect economy and better administration, reported it with an amendment and submitted a report (No. 1262) thereon.

Mr. BANKHEAD, from the Committee on Irrigation and Reclamation, to which was referred the bill (H. R. 6379) to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406), reported it without amendment and submitted a report (No. 1263) thereon.

Mr. NEELY, from the Committee on Rules, to which was referred the resolution (S. Res. 232) limiting debate on general appropriation bills (submitted by Mr. GLASS on February 8, 1940), reported it with an amendment.

REPORTS OF THE COMMITTEE ON PRINTING—PRINTING OF PROCEEDINGS AND HEARINGS

Mr. HAYDEN. From the Committee on Printing I report back favorably, without amendment, House Concurrent Resolutions 45 and 46, and ask unanimous consent for their present consideration.

There being no objection, the concurrent resolutions were severally read, considered by unanimous consent, and agreed to, as follows:

House Concurrent Resolution 45

Resolved by the House of Representatives (the Senate concurring), That the proceedings at the various ceremonies in commemoration of the one hundred and fiftieth anniversary of the commencement of the first session of the Supreme Court of the United States, together with such additional matter as the Joint Committee on Arrangements in charge of these ceremonies may deem fitting and appropriate, in connection with this historical event, be printed, with illustrations, as a document; and that 200,000 additional copies be printed, of which 50,000 shall be for the use of the Senate and 150,000 shall be for the use of the House of Representatives.

And—

House Concurrent Resolution 46

Resolved by the House of Representatives (the Senate concurring), That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Ways and Means of the House of Representatives be, and is hereby, empowered to have printed for its use 2,000 additional copies of the hearings held before said committee during the current session on the resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOLMAN:

S. 3477. A bill for the relief of Edward Carpentier Mears; to the Committee on Military Affairs.

S. 3478. A bill to provide for punishment of persons who escape or attempt to escape from the custody of officers or employees of the Immigration and Naturalization Service; to the Committee on Immigration.

By Mr. MALONEY:

S. 3479. A bill authorizing appointments to the United States Military Academy and United States Naval Academy of sons of soldiers, sailors, and marines who were killed in action or have died of wounds or injuries received, or disease contracted, in line of duty during the World War; to the Committee on Military Affairs.

(Mr. GILLETTE (for himself, Mr. HATCH, Mr. MILLER, Mr. MEAD, and Mr. TRUMAN) introduced Senate bill 3480, which was referred to the Select Committee on Government Organization and appears under a separate heading.)

By Mr. McNARY:

S. 3481. A bill for the relief of Guy D. Martin; to the Committee on Finance.

S. 3482. A bill to provide for a national cemetery at the Veterans' Administration facility at Roseburg, Ore.; to the Committee on Military Affairs.

By Mr. JOHNSON of Colorado:

S. 3483. A bill for the relief of Dr. Ninette G. Lumm; to the Committee on Claims.

By Mr. BULOW (for himself and Mr. GURNEY):

S. 3484. A bill for the relief of L. A. Johnson; to the Committee on Indian Affairs.

By Mr. McKELLAR:

S. 3485. A bill to amend section 226 of the act of March 4, 1909; to the Committee on Post Offices and Post Roads.

By Mr. NEELY:

S. 3486. A bill to amend section 24 of the Judicial Code, as amended, to permit citizens of the District of Columbia to bring suit in the district courts of the United States under the diversity-of-citizenship clause; to the Committee on the Judiciary.

By Mr. SCHWELLENBACH (for Mr. BURKE):

S. 3487. A bill for the relief of the heirs of Lt. William Lee Clemmer, Coast Guard; to the Committee on Claims.

By Mr. CHANDLER:

S. 3488. A bill for the relief of Arnold Blanton; and

S. 3489. A bill for the relief of the estate of Frank H. Lusse, deceased; to the Committee on Claims.

By Mr. BAILEY:

S. 3490. A bill to provide for a maximum interest rate of 4 percent on loans secured by United States Government life-insurance policies; to the Committee on Finance.

By Mr. McCARRAN:

S. 3491. A bill to provide that fines for failure to pay license taxes in Alaska shall be disposed of as provided for the disposition of such taxes; to the Committee on the Judiciary.

By Mr. TYDINGS (for himself and Mr. RADCLIFFE):

S. 3492. A bill to exempt from taxation certain property of the National Society of the Colonial Dames of America, in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SHEPPARD:

S. 3493. A bill for the relief of Elliott L. Hovel; to the Committee on Claims.

S. 3494. A bill relating to changes in the administration of the National Guard of the United States bearing on Federal recognition, pay, allotment of funds, drill, training, etc.;

S. 3495. A bill to provide for the retirement of any officer of the National Guard who has served as Chief of the Militia Bureau or Chief of the National Guard Bureau;

S. 3496. A bill to prevent retardation in promotion and in pay and allowances of permanent professors of the United States Military Academy appointed by the President from the commissioned officers of the Regular Army; and

S. 3497. A bill to require the issuance by the General Accounting Office of a quarterly certificate of settlement of money accounts to United States property and disbursing officers of the National Guard of the several States, Territories, and the District of Columbia; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma:

S. 3498. A bill directing the Secretary of War to issue Army discharge to Herbert Hodge, who was regularly inducted into the military service of the United States prior

to November 11, 1918, and was discharged from draft on November 12, 1918 (with accompanying papers); to the Committee on Military Affairs.

(Mr. THOMAS of Oklahoma also introduced Senate bill 3510, which was referred to the Committee on Banking and Currency and appears under a separate heading.)

By Mr. KING:

S. 3499. A bill to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the Metropolitan Police Department; and

S. 3500. A bill to provide for the regulation of the business of fire, marine, casualty, and title insurance, and for other purposes; to the Committee on the District of Columbia.

By Mr. O'MAHONEY and Mr. HAYDEN:

S. 3501. A bill to provide for the disposition of certain moneys received by the United States in connection with proceedings against the Standard Oil Co. of California and others pursuant to the joint resolution resolution of February 21, 1924 (43 Stat. 15); to the Committee on Public Lands and Surveys.

By Mr. BYRD:

S. 3502. A bill for the relief of the Epes Transportation Corporation; to the Committee on Claims.

S. 3503. A bill for the relief of Charles L. Kee; to the Committee on Naval Affairs.

S. 3504. A bill to provide uniformity in designations of certain historic areas, sites, and buildings administered by the Secretary of the Interior, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. MEAD:

S. 3505. A bill to authorize cancelation of deportation in the case of Anthony Consola; to the Committee on Immigration.

By Mr. SMITH:

S. 3506. A bill granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Great Pee Dee River, at or near Cashua Ferry, S. C.; to the Committee on Commerce.

By Mr. BARBOUR:

S. 3507. A bill for the relief of Earl A. Smith; to the Committee on Naval Affairs.

By Mr. WHEELER:

S. 3508. A bill for the relief of the Missoula Mercantile Co.; to the Committee on Claims.

By Mr. WHEELER (for himself and Mr. BANKHEAD and Mr. LA FOLLETTE):

S. 3509. A bill to reduce permanently the interest rates on Federal land bank and Land Bank Commissioner loans; to relieve Federal land bank borrowers of stock liability; to place the Federal land banks on a self-supporting basis; to refund and guarantee the bonds of such banks; to increase the functions and responsibilities of national farm-loan associations and county committees of farmers; to provide for the adjustment and refinancing of farm-mortgage debts; to limit the institution of foreclosure proceedings and the taking of deficiency judgments; and for other purposes; to the Committee on Banking and Currency.

By Mr. PEPPER:

S. 3511. A bill to establish a permanent industrial loan corporation to assist financing institutions in making credit available to commercial and industrial enterprises; to the Committee on Banking and Currency.

S. 3512. A bill to provide for public hearings on applications for licenses under the Communications Act of 1934; to the Committee on Interstate Commerce.

By Mr. BARBOUR:

S. 3513. A bill authorizing the Reconstruction Finance Corporation to assist closed building and loan associations through loans and the purchase of assets; to the Committee on Banking and Currency.

By Mr. NEELY:

S. 3514. A bill to extend indefinitely the time before which valid applications may be filed for disabled emergency officers'

retirement benefits, and for other purposes; to the Committee on Finance.

By Mr. MEAD:

S. J. Res. 217. Joint resolution to authorize the appropriation of an additional sum of \$425,000 for Federal participation in the New York World's Fair, 1940; to the Committee on Foreign Relations.

By Mr. KING:

S. J. Res. 218. Joint resolution to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies;

S. J. Res. 219. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1941; and

S. J. Res. 220. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1941, and for other purposes; to the Committee on the District of Columbia.

By Mr. REYNOLDS:

S. J. Res. 221. Joint resolution for the acquisition of British islands in the Caribbean and British Honduras; to the Committee on Foreign Relations.

THE FARM CREDIT ADMINISTRATION

Mr. GILLETTE. Mr. President, on behalf of the senior Senator from New Mexico [Mr. HATCH], the junior Senator from Arkansas [Mr. MILLER], the junior Senator from New York [Mr. MEAD], and the junior Senator from Missouri [Mr. TRUMAN], I introduce a bill.

In connection with the bill, Mr. President, I ask unanimous consent to have printed in the RECORD a letter with reference to the bill which is addressed to me, signed by Mr. O'Neal, president of the American Farm Bureau Federation, and concurred in by vice presidents of the federation from Illinois, New York, New Hampshire, Vermont, Maryland, Minnesota, Kansas, Iowa, Indiana, Wyoming, Nevada, California, Tennessee, Kentucky, Arkansas, and Mississippi; a letter received on the same subject signed by representatives of the National Grange, the National Council of Farm Cooperatives, the National Wool Growers' Association, and the American National Livestock Association; and copies of resolutions adopted by these organizations.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the matters submitted by the Senator from Iowa will be printed in the RECORD.

By Mr. GILLETTE (for himself, Mr. HATCH, Mr. MILLER, Mr. MEAD, and Mr. TRUMAN): The bill (S. 3480) to provide for the establishment of the Farm Credit Administration as an independent agency of the Government, and for other purposes, was read twice by its title and referred to the Select Committee on Government Organization.

The letters and resolutions presented by Mr. GILLETTE are as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., March 2, 1940.

Hon. GUY M. GILLETTE,

United States Senate, Washington, D. C.

DEAR SENATOR GILLETTE: Pursuant to a resolution of the twenty-first annual convention of the American Farm Bureau Federation, the board of directors has approved the following resolution with respect to the farm-credit system:

"For 25 years farmers have struggled to build up a sound, effective, permanent, and independent farm-credit system, including the Federal land banks, the intermediate credit banks, the banks for cooperatives, and the production credit system. The ultimate objective is complete farmer ownership and farmer control.

"This objective, we believe, can best be achieved by placing complete administrative responsibility in the hands of a board of governors, as an independent Government agency, members to be appointed by the President of the United States and confirmed by the Senate, with terms of members so staggered as to insure continuity of administration.

"The federation will aggressively support legislation directed toward this objective."

The attached bill carries out this resolution and has the approval of the American Farm Bureau Federation.

We hope this bill will meet with your approval. We respectfully urge your active support in obtaining its enactment into law at this session of Congress.

Respectfully yours,

EDW. A. O'NEAL, *President.*

P. S.—The foregoing communication has been concurred in by the following members of the board of directors and their names have been authorized to be appended to this letter:

Earl C. Smith, Illinois, vice president; H. P. King, New York; George M. Putnam, New Hampshire, Arthur Packard, Vermont; H. H. Nuttle, Maryland; Frank W. White, Minnesota; O. O. Wolf, Kansas; Francis Johnson, Iowa; Hassil E. Schenck, Indiana; H. J. King, Wyoming; George Ogilvie, Nevada; George H. Wilson, California; J. F. Porter, Tennessee; Ben Kilgore, Kentucky; R. E. Short, Arkansas; Ransom Aldrich, Mississippi; Mrs. H. W. Ahart, California; R. W. Blackburn, secretary and treasurer.

RESOLUTION OF THE NATIONAL GRANGE ON THE FARM CREDIT ADMINISTRATION ADOPTED AT PEORIA, ILL., NOVEMBER 15-23, 1939

Whereas the Grange has had a consistent policy of many years' standing favoring a cooperative credit system under an independent bipartisan board: Therefore be it

Resolved, First, that the National Grange favors the establishment of the Farm Credit Administration as an independent agency operating under the supervision of a bipartisan board appointed for staggered terms of office.

Second: That such agency have supervision of the Federal Farm Loan System, the Production Credit System, the banks for cooperatives, the Intermediate Credit Bank System, and the Federal Farm Mortgage Corporation.

Third: That the cooperative features of the Federal Land Bank System, the Production Credit System, and the banks for cooperatives be preserved and strengthened and means be devised for establishing the intermediate credit banks on a cooperative basis.

Fourth: That the Federal Farm Mortgage Corporation be continued as an emergency lending agency until agriculture can be established on such basis that emergency credit of this character is no longer needed.

Such a policy is important to agriculture for the following reasons:

(a) A dependable source of credit adapted to the borrowers' needs and paying capacity is essential to a successful agriculture.

(b) Consistent continuity of policy and sound management are necessary if funds are to be available on favorable interest rates and terms. This cannot be accomplished if the policy and management are subject to sudden changes. Borrowers, employees, and investors alike must be freed from political uncertainties or pressure if maximum safety and service are to be attained. This can be accomplished only by providing supervision by a bipartisan board serving for staggered terms if sufficient safety and service are to be attained. This can be accomplished only by providing supervision by a bipartisan board serving for staggered terms of sufficient length to prevent sudden changes in fundamental administrative policies.

(c) The credit service should provide not only long-term capital, short-term production credit, and cooperative marketing credit, as are now provided by the Federal land banks, the Production Credit System, the banks for cooperatives, and intermediate credit banks, but until agriculture has sufficiently recovered from the many years of depression to operate on a normal basis, emergency credit similar to that available through the Federal Farm Mortgage Corporation will be needed. Since the power of this Corporation to make loans expires on January 31, 1940, it is essential that it be extended for a reasonable period.

(d) The substantial progress made by the Federal land banks, Production Credit System, and banks for cooperatives operating on a cooperative basis has demonstrated the soundness of that form of organization. It protects the system against making unsound loans. It enhances the prompt collection of installments. It is felt that greater assurance of a completely well-rounded and sound credit system sympathetic to agriculture's needs would be accomplished if the Intermediate Credit System were owned and controlled on a sound cooperative basis by the Production Credit Association and cooperatives which they serve. Cooperative control could be strengthened by a more practical system of election of directors, thereby assuring the borrowers of a voice in the management of their credit affairs.

Adopted unanimously by the National Grange in Peoria, Ill., November 17, 1939.

NATIONAL COOPERATIVE COUNCIL,
Washington, D. C.

The following resolution was adopted at the annual delegate meeting of the National Council of Farmer Cooperatives, January 10-12, 1940:

"FARM CREDIT ADMINISTRATION

"Since its establishment under that name in 1933, the Farm Credit Administration has been an independent agency of the Federal Government. During the nearly 7 years of its existence as such, it has adhered steadfastly to sound business principles in its agricultural financing and has concerned itself with financing the permanent, and not temporary or emergency, needs of agriculture. It has also met in a constructive manner the credit needs of agricultural cooperatives.

"We regret the change in policy which has terminated the independent status of the Farm Credit Administration. In the past, when suggestions were made for transfer of the Farm Credit Administration to the Treasury Department, the council opposed such change. In conformity with its consistent policy on this point, the National Cooperative Council requests that Congress restore at an early date the independent status so long accorded to the Farm Credit Administration.

"President Roosevelt, the Secretary of Agriculture, and the newly appointed Governor of Farm Credit Administration have now given assurance that there will be no departure from sound credit policies which have made the position of Farm Credit Administration so secure. By reason of these announced policies the Farm Credit Administration and its present officials merit and will receive our continued loyal support.

"We also urge that the general policies of the Farm Credit Administration be continued as in the past, with progressive increases in the cooperative nature of its structure.

"The officers of the council are instructed to oppose vigorously the withdrawal of Federal capital funds from lending agencies serving agriculture in any cases where it is found that such withdrawal will injure the ability of such agencies to serve properly the needs of agriculture."

MARCH 1, 1940.

HON. GUY M. GILLETTE,
HON. CARL A. HATCH,
HON. JAMES M. MEAD,
HON. JOHN E. MILLER,
HON. HARRY TRUMAN,

Members of United States Senate.

DEAR SENATORS: The following farm organizations have gone on record as favoring the enactment of legislation designed to reestablish the Farm Credit Administration as an independent agency of Government: The National Grange, the American Farm Bureau Federation, the National Council of Farmer Cooperatives (formerly the National Cooperative Council), the National Wool Growers' Association, and the American National Livestock Association.

These five organizations, representing a large majority of the organized farmers of the Nation, are in accord in this matter, and, after careful study and many conferences, have reached a unanimous agreement as to the suggestions we wish to make.

For sake of brevity and convenience, these suggestions are incorporated in the form of a bill, a copy of which is enclosed. We also enclose copies of resolutions approved by the delegate bodies of these farm organizations.

We wish to have it clearly understood that in advocating the restoration of independent status to the Farm Credit Administration we do not desire to cast any reflection whatever upon the Department of Agriculture. Nor is our advocacy of this proposal related in any way to the individual aims and ambitions of those charged with the present responsibility of carrying on the work of the Administration.

We are strongly of the opinion, however, that supervision of a comprehensive credit system for farmers should be separate and apart from an executive department charged with the execution of any national program not directly related to the actual extension of credits.

Congress has recognized the need for two types of credit agencies for agriculture, each of which is necessary. The Farm Credit Administration was established to supply the sound long-time credit needs of farmers and farmers' cooperatives, while the Department of Agriculture, under various laws, has been designated as the agency through which the emergency credit needs of agriculture are supplied.

When the National Farm Loan System, which was the forerunner of the Farm Credit Administration, was established, it was intended to be a cooperative credit system, controlled by the farmers themselves under Government supervision. It has been and is the hope of farmers that in due time they may become the complete owners of the various agencies included under the Farm Credit Administration, some of which are now self-supporting. Because of this hope, approximately 2,000,000 farmers have invested \$130,000,000 of their own money in the various units of the Farm Credit Administration. When all of these units can be placed on a self-sustaining basis, they can be entirely eliminated from the Federal Budget.

It is needless for us to remind you that those engaged in or directly dependent upon agriculture for a livelihood represent more than 40 percent of the population of the country. We believe that this great body of our people is as much entitled to an independent credit organization as are those engaged in industrial, commercial, and financial enterprises.

We hope that our proposal will meet with your approval, and that you will introduce and give your best efforts in behalf of the enactment of the necessary legislation to bring this about. In so doing, we sincerely believe that you will be rendering a service of the utmost importance to agriculture, making it possible, in due time, for the farmer to gain full control of the credit agencies which serve him.

Sincerely and respectfully yours,

THE NATIONAL GRANGE,

By FRED BRECKMAN, *Washington Representative.*

THE NATIONAL COUNCIL OF FARMER COOPERATIVES,
(Formerly the National Cooperative Council),

By EZRA BENSON, *Executive Secretary.*

NATIONAL WOOL GROWERS' ASSOCIATION,

By F. R. MARSHALL, *Secretary.*

AMERICAN NATIONAL LIVESTOCK ASSOCIATION,

By F. E. MOLLIN, *Secretary.*

Resolution adopted at annual meeting of National Wool Growers' Association, January 23-25, 1940:

"FARM CREDIT

"The Farm Credit Administration has for the past 6 years served agriculture well and has been largely responsible for adequate credit at the lowest rate of interest ever enjoyed by the livestock industry. We question if it can continue the present efficiency and sound lending policies unless its independent status is restored.

We urge Congress to take such action as is necessary to establish this agency on an independent basis, void of the influence of any other bureau or department of Government."

Resolution adopted at annual meeting of American National Livestock Producers, January 11-13, 1940:

"FARM CREDIT ADMINISTRATION

"Whereas the Farm Credit Administration has, by adhering to sound financial policies, provided a dependable source of credit to those engaged in agricultural pursuits, and thereby won the confidence and loyalty of its borrowers; and

"Whereas through its various agencies, reaching into every rural community of the Nation, it has attained a dominant position in agricultural credit; and

"Whereas if the farm-credit system is to continue adequately to serve agriculture, it is essential that extension of credit should not be tied in with any other agricultural program, and that it retain its cooperative features and independence of departmental control: Therefore be it

"Resolved, That we urge that the Farm Credit Administration be immediately restored by Congress to its former status as an independent agency and that we authorize and direct our officers and legislative committee to do their utmost to attain that end."

The following resolution was adopted by the executive committee of the American Farm Bureau Federation, January 11, 1940:

"IV. FARM CREDIT ADMINISTRATION

"For 25 years farmers have struggled to build up a sound, effective, permanent, and independent farm-credit system, including the Federal land banks, the intermediate credit banks, the banks for cooperatives, and the production credit system. The ultimate objective is complete farmer ownership and farmer control.

"This objective, we believe, can best be achieved by placing complete administrative responsibility in the hands of a board of governors, as an independent Government agency, members to be appointed by the President of the United States and confirmed by the Senate, with terms of members so staggered as to insure continuity of administration.

"The federation will aggressively support legislation directed toward this objective."

INTEREST RATES ON FEDERAL LAND BANK AND COMMISSIONER LOANS, ETC.

Mr. LA FOLLETTE. Mr. President, the Senator from Montana [Mr. WHEELER] has introduced a bill today for himself and for the senior Senator from Alabama [Mr. BANKHEAD] and myself, being Senate bill 3509. In connection with that bill, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a statement by the Senators mentioned, and by Representative JONES of Texas, who is introducing a companion bill in the House of Representatives.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATORS WHEELER, BANKHEAD, LA FOLLETTE, AND REPRESENTATIVE JONES OF TEXAS

The bill we are today introducing has four objectives:

(1) To make the Federal land-bank system self-supporting, and thereby eliminate the annual subsidies from the Federal Treasury now required; (2) to reduce interest rates on land bank and Land Bank Commissioner loans to 3 percent; (3) to provide a fair and practical method for refinancing farm mortgages, where the farm debt exceeds the fair value of the farm, or where the annual payments on the mortgage exceed the normal farm income; and (4) to decentralize the administration of the land-bank system by increasing the duties and responsibilities of local farm-loan associations.

In addition to these basic changes, the bill also abolishes foreclosure proceedings and deficiency judgments except in cases of willful or negligent damage to the mortgaged property; authorizes the collection of loans on a variable payment system, under which amounts in addition to required payments can be collected in periods of above-normal production or prices and employed to reduce the required payments in periods of subnormal production or prices; and provides for the reamortization of existing Land Bank Commissioner loans on the same terms as are now made available to land-bank borrowers.

It should be emphasized that the bill in no way affects the intermediate credit banks, the production credit corporations or associations, or the banks for cooperatives, but deals solely with the land-bank system.

The following is a statement covering the major provisions of the bill:

1. The present average contract rate on outstanding land-bank loans, and the contract rate on all Land Bank Commissioner loans is 5 percent. By act of Congress, the effective interest rate has been reduced to 3½ percent on land-bank loans and 4 percent on Land Bank Commissioner loans. However, this reduction is temporary and can only be continued so long as Congress appropriates the difference between these effective rates and the contract rates. Approximately \$38,000,000 a year must now be appropriated to make up this difference.

Furthermore, land-bank borrowers are now required to subscribe 5 percent of the amount of their loans to capital stock. The result of this requirement is to increase the total interest charge now paid by land-bank borrowers, since interest is charged on the full amount of the borrower's loan, even though 5 percent of the face amount of such loan has been deducted for the purchase of the stock. Besides paying this additional interest, the borrower runs the risk of permanently losing the value of his stock, because such stock must now be pledged as collateral, not only for the borrower's own loan but also for the loans of all other borrowers through his association. In addition, on any defaulted payments, or on amounts advanced for the payment of taxes, liens, judgments, or assessments, borrowers are required to pay interest at the rate of 8 percent per annum.

Under this bill, the present complicated system of varying interest rates, deductions for capital-stock subscriptions, and annual subsidies from the Federal Treasury would be eliminated. The interest rate on all outstanding loans, both from the land banks and the Land Bank Commissioner, would be fixed at 3 percent. New borrowers would no longer be required to subscribe to capital stock, and all present borrowers whose loans are in good standing, and all borrowers who have repaid their loans in full since June 16, 1933, would be immediately credited with the full value of their capital stock, without deduction for losses resulting from the defaults of other borrowers. Future issues of land-bank bonds would be guaranteed by the United States both as to principal and interest, thus enabling the land banks to obtain money at lower rates of interest. All land-bank bonds now held by the Federal Farm Mortgage Corporation would be immediately refinanced. Through such guaranty, the annual subsidies now required would be immediately reduced and entirely eliminated by 1946, by which time all of the present land-bank bonds would have become subject to call. After 1946, the interest rate on new loans would be fixed at 1 percent above the yield borne by the fully guaranteed obligations then issued by the land banks.

2. The refinancing provisions of the bill are no less important than the interest provisions.

At the present time, there is no adequate machinery for the refinancing of farm owners burdened with excessive farm mortgages. As a result, large numbers of diligent farmers, whose mortgages were executed in periods of very high prices, are now struggling under impossible debt burdens, with no avenue of escape except foreclosure or abandonment of their farms. To meet this problem, the bill provides a broad refinancing program which will provide immediate and effective relief for deserving farm mortgagors, without opening the door to abuse by unscrupulous borrowers who are actually able to meet their mortgage payments, or by shiftless farmers whose failure has been due to their own fault.

The first safeguard is the provision that no mortgagor can obtain refinancing unless the board of directors of his local farm-loan association or a local county committee of farmers certifies that his application has been filed in good faith; that the mortgage indebtedness is in excess of the productive value of the farm or the annual payments are in excess of the normal farm income; and that the applicant, by reason of his character, ability, and experience, is likely successfully to carry out the undertakings required of him.

As a second safeguard against abuse, the amount of scale-down is not determined immediately. Instead, the mortgagor must convey title to the Federal Farm Mortgage Corporation in exchange for a lease for not more than 5 years. At the end of the 5-year lease, or sooner, if circumstances justify, the farmer is given the right to repurchase the property at a price to be fixed on the basis of the actual income value of the farm. In other words, the debt is adjusted not on the basis of an immediate appraisal, which may not reveal the real value of the farm, but on the basis of the actual productive capacity of the farm as disclosed during the lease period.

3. The provisions for increasing the responsibilities and functions of farm-loan associations are urgently needed.

There has been a general impression that the land-bank system is now farmer owned and controlled. The truth is that, except for participation in elections, neither the individual land-bank borrower nor his national farm-loan association has been given an adequate opportunity to participate in the administration of the system.

To assure genuine farmer participation the bill contains the following provisions:

First, the right of the individual borrower to participate in the election of the directors of his association and to vote at membership meetings is no longer made dependent on his subscribing to 5 percent of the amount of his loan in the capital stock of the association. Similarly, the right of the association to participate in the election of the directors of the land banks is no longer dependent on the association's subscribing to stock in the land bank or endorsing loans made through it. The farmer has been told that such stock subscription makes him a part owner in the land-bank system. Nothing could be further from the truth. The stock subscription is not an asset to the borrower, but a liability. Not only is the purchase price of the stock deducted from the loan

which he receives, but the stock is pledged as security for the loans of all other borrowers through the association. This feature of the land-bank system, which was borrowed in 1916 from the German land-schaft system, was never justified and should be abolished in the same way that the double liability of land-bank borrowers was abolished in 1933.

Second, the bill vests in the local farm-loan association or other local committee of farmers the responsibility for approving all applications for the refinancing and repurchase benefits provided under sections 11 to 14 of the bill.

Third, the Governor is directed to delegate to the associations, wherever feasible, responsibility for the reamortization of Commissioner loans, the establishment of variable-payment plans, and determinations as to whether foreclosure proceedings and deficiency judgments are justified against defaulted borrowers.

(d) The Governor is directed to determine the extent to which farmer participation can be increased by delegating to the associations functions now exercised by the Federal land banks, and to provide for such delegation through appropriate rules and regulations.

(e) The Governor is authorized to require the land banks to compensate the associations through service payments to be deducted from interest payments on all loans or mortgages serviced by the associations.

4. The effect of the bill on the general taxpayer has already been referred to. At present the land-bank system is heavily subsidized by the Federal Government. It has been necessary for the Government to invest over \$300,000,000 in capital stock and paid-in surplus to purchase through the Federal Farm Mortgage Corporation and the production credit corporations over \$800,000,000 of the presently unguaranteed land-bank bonds, and to appropriate annually over \$38,000,000 for temporary interest reductions.

This is not our conception of a self-supporting farm-credit system. It is high time that the system was made really self-supporting by completely guaranteeing all future issues of land-bank bonds, in the same manner that the Federal Government now guarantees the obligations of the Reconstruction Finance Corporation and the Home Owners' Loan Corporation, and the mortgages insured by the Federal Housing Administration. Through such guaranty the interest rate payable by land-bank borrowers can be permanently reduced, and the present subsidies out of the Federal Treasury entirely eliminated as soon as the new outstanding bonds have been refunded. The American farmer and the American taxpayer are both entitled to these benefits.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 7809. An act authorizing the reconstruction or replacement of certain bridges necessitated by the Rio Grande canalization project and authorizing appropriation for that purpose; to the Committee on Foreign Relations.

H. R. 8668. An act making appropriations for the fiscal year ended June 30, 1941, for civil functions administered by the War Department, and for other purposes; to the Committee on Appropriations.

REGULATION OF COMMERCE IN AGRICULTURAL PRODUCTS—AMENDMENT

Mr. FRAZIER submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 570) to regulate interstate and foreign commerce in agricultural products; to prevent unfair competition; to provide for the orderly marketing of such products; to promote the general welfare by assuring an abundant and permanent supply of such products by securing to the producers a minimum price of not less than cost of production; and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

IMPROVEMENT OF ARROWROCK DAM—AMENDMENT

Mr. CLARK of Idaho submitted an amendment intended to be proposed by him to the bill (S. 1498) to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

AMENDMENT TO RIVER AND HARBOR AUTHORIZATION BILL—MARUMSCO CREEK, MD.

Mr. TYDINGS submitted an amendment intended to be proposed by him to House bill 6264, the river and harbor authorization bill, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO FIRST DEFICIENCY APPROPRIATION BILL—FOREST LAND IN LINCOLN COUNTY, OREG.

Mr. McNARY submitted an amendment intended to be proposed by him to House bill 8641, the first deficiency appro-

priation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 8, after line 25, to insert the following:

"Report on forest land in Lincoln County, Oreg.: For a study of and report on a tract of 12,731 acres of forest land in Lincoln County, Oreg., in accordance with Senate Resolution No. 225, Seventy-sixth Congress, agreed to February 1, 1940, fiscal year 1940, \$3,000, to remain available until December 31, 1940."

AMENDMENTS TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. GURNEY submitted an amendment intended to be proposed by him to House bill 8202, the Agricultural Department appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 74, line 11, to insert the following:

"Provided, That expenditures for the production or procurement of nursery stock by any Federal agency, or funds appropriated to any Federal agency for allocation to cooperating States for the production or procurement of nursery stock, be available until expended."

Mr. WILEY submitted amendments intended to be proposed by him to House bill 8202, the Agricultural Department appropriation bill, 1941, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 42, line 12, strike out "\$600,000" and insert in lieu thereof "\$1,000,000."

On page 46, line 5, strike out "\$16,366,000" and insert in lieu thereof "\$16,766,000."

Mr. PEPPER submitted an amendment intended to be proposed by him to House bill 8202, the Agricultural Department appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill, insert the following:

"Experiment station for cassava: To enable the Secretary of Agriculture to establish and maintain an experiment station in the State of Florida for conducting experiments with respect to the growth and utilization of cassava, \$50,000."

RECIPROCAL-TRADE AGREEMENTS—AMENDMENTS

Mr. McCARRAN submitted amendments intended to be proposed by him to the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, which were ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 1 line 8, to strike out the period, substitute a comma and the following words: "with the proviso that the authority conferred in the said act does not embrace authority to include in any trade-agreement negotiations excise taxes imposed under the provisions of paragraphs (4), (5), (6), and (7) of subsection (c) of section 601 of the Revenue Act of 1932, as amended, which are now a part of the Internal Revenue Code, subtitle (c), chapter 29, subchapter (b), part 1, sections 3420, 3422, 3423, 3424, 3425."

On page 1, line 8, to strike out the period, substitute a colon and the following: "Provided, That no commodity or article shall be included in any foreign-trade agreement entered into which permits the entry into American markets of products of workers, farmers, or miners of foreign countries at total landed costs, all tariff duties paid, which total costs are less than the cost of production or wholesale selling price of competitive products of American workers, miners, or farmers where such American products are commercially available."

At the end of the bill, strike out the period and insert in lieu thereof a semicolon and the following: "except that no foreign-trade agreement entered into after the date of enactment of this joint resolution under such section 350 shall be effective unless concluded by and with the advice and consent of the Senate, two-thirds of the Senators present concurring therein as in the case of other treaties."

JOINT COMMITTEE ON FORESTRY

Mr. BANKHEAD submitted the following concurrent resolution (S. Con. Res. 39), which was referred to the Committee on Agriculture and Forestry:

Resolved by the Senate (the House of Representatives concurring), That the time for making the report of the Joint Committee on Forestry (establishment pursuant to S. Con. Res. No. 31, 75th Cong.) is hereby extended to February 1, 1941, and any amounts available for the expenses of such committee shall be available for expenditure until such date.

HARRY J. TUCKER—WITHDRAWAL OF PAPERS

On motion by Mr. BULOW (at the request of Mr. BONE), it was

Ordered, That the papers and exhibits (submitted by Mr. BONE) accompanying the bill (S. 1486) for the relief of Harry J. Tucker

(75th Cong., 1st sess.; introduced by Mr. BONE) be withdrawn from the files of the Senate, no adverse report having been made thereon.

REVIEW BY SENATOR McNARY OF NEW DEAL ADMINISTRATION

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD a radio address delivered by Senator McNARY over the American Forum of the Air on March 3, 1940, which appears in the Appendix.]

ADDRESS BY SENATOR TAFT AT SPRINGFIELD, ILL.

[Mr. McNARY asked and obtained leave to have printed in the RECORD an address delivered by Senator TAFT at Springfield, Ill., on February 24, 1940, on the subject of the farmer and America's future, which appears in the Appendix.]

1940 CENSUS QUESTIONNAIRE

[Mr. TOBEY asked and obtained leave to have printed in the RECORD a brief filed by him with the Commerce Committee of the Senate in support of Senate Resolution 231, which appears in the Appendix.]

RECIPROCAL-TRADE AGREEMENTS—STATEMENT BY SECRETARY CORDELL HULL BEFORE FINANCE COMMITTEE

[Mr. HERRING asked and obtained leave to have printed in the RECORD the statement made by Hon. Cordell Hull, Secretary of State, before the Senate Finance Committee on February 26, 1940, which appears in the Appendix.]

EMBARGO ON SHIPMENT OF WAR MATERIALS TO JAPAN—CORRESPONDENCE WITH ADMIRAL YARNELL

[Mr. SCHWELLENBACH asked and obtained leave to have inserted in the RECORD a letter written by him to Rear Admiral Harry E. Yarnell regarding the embargo on shipments to Japan, and the reply of Admiral Yarnell, which appear in the Appendix.]

ARTICLE ON ABRAHAM LINCOLN BY GOVERNOR HORNER

[Mr. SLATTERY asked and obtained leave to have printed in the RECORD an article entitled "What Would Lincoln Think?" written by Gov. Henry Horner, of Illinois, and published in the Christian Science Monitor weekly magazine section of February 10, 1940, which appears in the Appendix.]

STATEMENT BY GOVERNOR LONG, OF LOUISIANA

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD a statement by Gov. Earl K. Long, of Louisiana, published in the American Progress, of Hammond, La., on Friday, March 1, 1940, which appears in the Appendix.]

ADDRESS BY DR. E. W. BRANDES ON RESEARCH ON SUGAR PLANTS

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an address on the subject Research on Sugar Plants and Some Practical Adaptations, delivered by Dr. E. W. Brandes before the second general meeting, American Society of Sugar Beet Technologists, at Denver, Colo., on January 5, 1940, which appears in the Appendix.]

PRODUCTION OF ELECTRIC POWER—ARTICLE BY SAMUEL A. CARLSON

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an article by Samuel A. Carlson, published in the Jamestown (N. Y.) Tri-County Herald, of the issue of February 16, 1940, which appears in the Appendix.]

ADDRESS BY COL. R. A. WHEELER ON INLAND WATERWAYS

[Mr. MILLER asked and obtained leave to have printed in the RECORD an address delivered on January 25, 1940, by Col. R. A. Wheeler, resident member of the Board of Engineers for Rivers and Harbors, at Raleigh, N. C., before the Engineers' Institute, on the subject of contribution of inland waterways to transportation, which appears in the Appendix.]

ADDRESS BY RAYMOND H. COMBS BEFORE AMERICAN ROAD BUILDERS' ASSOCIATION

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address delivered by Raymond H. Combs, president of the National Rural Letter Carriers' Association, before the American Road Builders' Association on January 30, 1940, which appears in the Appendix.]

LETTER FROM JOHN THOMAS TAYLOR, ETC., ON NATIONAL EMPLOYMENT PROGRAM

[Mr. MEAD asked and obtained leave to have printed in the RECORD excerpts from a letter addressed to him by John

Thomas Taylor, director of the national legislative committee of the American Legion, and a national employment program set forth in the report of the committee on employment adopted by the American Legion national convention at Chicago in September 1939, which appear in the Appendix.]

ARTICLE BY CLARK PORTEOUS ON HUMANE SHELTER AT MEMPHIS, TENN.

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD an article published in the Memphis Press-Scimitar of February 28, 1940, relative to the humane shelter at Memphis, Tenn.; which appears in the Appendix.]

ARTICLE BY DAVID LAWRENCE ON PROPOSED LOAN TO FINLAND

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article by David Lawrence published in the Washington Evening Star of March 1, 1940, relative to the proposed loan to Finland, which appears in the Appendix.]

PEACE OR PARTICIPATION

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial entitled "Peace or Participation" written by Jonathan Daniels, editor of the News and Observer, of Raleigh, N. C., which appears in the Appendix.]

ARTICLES ON GOLD- AND SILVER-PURCHASE PROGRAMS

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an article by Leon Pearson published in the Washington Times-Herald of February 19, 1940, on the silver-purchase program, and an article from the Washington Evening Star of February 20, 1940, on the gold-purchase program, which appear in the Appendix.]

SILVER-PURCHASE PROGRAM

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an editorial from the Reno Evening Gazette of February 15, 1940, on the silver-purchase program, which appears in the Appendix.]

MONEY DISBURSEMENTS OF WAGE EARNERS, ETC.

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an editorial from the Washington Daily News of February 28, 1940, entitled "In One Easy Lesson," relative to the money disbursements of wage earners and clerical workers, which appears in the Appendix.]

ORDER DISPENSING WITH CALL OF CALENDAR

The VICE PRESIDENT. The routine morning business is closed. The calendar under rule VIII is in order.

Mr. BARKLEY. I ask unanimous consent that the calling of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Reynolds
Andrews	Ellender	La Follette	Russell
Ashurst	Frazier	Lee	Schwartz
Austin	George	Lodge	Schwellenbach
Bailey	Gerry	Lucas	Sheppard
Bankhead	Gibson	Lundeen	Shipstead
Barbour	Gillette	McCarran	Slattery
Barkley	Glass	McKellar	Smith
Bilbo	Green	McNary	Stewart
Brown	Guffey	Maloney	Taft
Bulow	Gurney	Mead	Thomas, Idaho
Byrd	Hale	Miller	Thomas, Okla.
Byrnes	Harrison	Minton	Thomas, Utah
Capper	Hatch	Murray	Tobey
Caraway	Hayden	Neely	Townsend
Chandler	Herring	Norris	Truman
Chavez	Hill	Nye	Tydings
Clark, Idaho	Holman	O'Mahoney	Vandenberg
Clark, Mo.	Holt	Overton	Van Nuys
Danaher	Hughes	Pepper	Wheeler
Davis	Johnson, Calif.	Radcliffe	White
Donahay	Johnson, Colo.	Reed	Wiley

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from New Jersey [Mr. SMATHERS] are absent from the Senate because of illness.

The Senator from Nebraska [Mr. BURKE] is detained on important public business.

The Senator from Nevada [Mr. PITTMAN] is absent on official business.

The Senator from Texas [Mr. CONNALLY], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] are unavoidably detained.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

RELIEF OF PEOPLE OF POLAND

Mr. MALONEY. Mr. President, I desire to call the attention of Members of the Senate to Senate Joint Resolution 207, which I introduced on February 1. This resolution would provide an appropriation of \$10,000,000 for the relief of the saddened and stricken people of Poland.

I am hopeful that this proposal will be given early consideration by the committee to which it has been referred. It is a deserving measure, and a modest one, and will not do so much as I should like to see done to protect the lives of people who, for the moment, are completely denied an opportunity to do much, if anything, for themselves.

My proposal to provide Federal funds for the relief of the people of Poland is not the start of an entirely new thing in Congress. For more than 100 years Congress has been providing money to furnish relief for the peoples of other countries who have been overcome by calamity.

As early as 1812 Congress appropriated money to bring relief to earthquake sufferers in Venezuela; and since that time, on different occasions, we have provided assistance and money and relief to the people of Ireland and Scotland and France and Germany and India and Cuba and Costa Rica and China and Armenia and Turkey and Russia and Japan.

I shall not discuss the matter at great length today; but I do want to bring to the attention of the Senate, and the committee to which the bill has been referred, the fact that this kind of proposal is not new. I want to emphasize the fact that there has probably never been a more distressing situation or a greater need. Our fellow human beings are actually starving.

A few weeks ago I asked the Legislative Reference Service of the Library of Congress to help me compile a list of the acts of Congress relating to the relief of suffering or distressed people of other countries. I ask unanimous consent that there may be published in the RECORD, as a part of my remarks, the material given to me by the Library's Legislative Reference Service.

The VICE PRESIDENT. Without objection, the material will be printed in the RECORD.

The matter referred to is as follows:

Act of May 8, 1812 (2 Stat. 730, ch. 79), authorized the President to purchase and tender "such provisions as he shall deem advisable" to the Government of Venezuela "for the relief of the citizens who have suffered by the late earthquake"; and appropriated \$50,000 for the purpose.

Resolution of March 3, 1847 (9 Stat. 207, No. 10), authorized the Secretary of the Navy to dispatch two ships to carry contributions "to the famishing poor of Ireland and Scotland."

Resolution of February 10, 1871 (16 Stat. 596, No. 28), authorized the President to station naval vessels at ports of New York City, Boston, and Philadelphia "to receive on board for transportation such supplies as may be furnished by the people of the United States for the destitute and suffering people of France and Germany."

Joint resolution of April 1, 1880 (21 Stat. 303, No. 16), authorized the Secretary of the Navy to employ any vessel of the Navy, or to charter a suitable ship, to carry contributions "to the famishing poor of Ireland"; and appropriated any necessary sum of money therefor.

Joint resolution of February 19, 1897 (29 Stat. 701-702), as amended June 1, 1897 (30 Stat. 220, No. 12) authorized the Secretary of the Navy to charter not over two vessels to transport contributions for the relief of "the famishing poor of India"; and appropriated any necessary sum of money therefor.

Joint resolution of April 7, 1897 (30 Stat. 219, No. 8), authorized the Secretary of the Navy to charter an American vessel of 2,400 tons capacity to transport contributions "to the famishing poor of India"; and appropriated any necessary sum of money therefor.

Act of May 18, 1898 (30 Stat. 419, ch. 345), authorized Army officers during the Spanish War to issue supplies and otherwise render aid to "inhabitants of the island of Cuba who are destitute and in imminent danger of perishing unless they receive the same."

Act of March 3, 1899 (30 Stat. 1069), appropriated \$100,000 for Army subsistence supplies "to be issued to inhabitants of the island of Cuba who are destitute and in imminent danger of perishing unless they receive the same."

Act of May 13, 1902 (32 Stat. 198, ch. 787), appropriated \$200,000 to enable the President to distribute provisions, clothing, medicines, etc., and "take such other steps as he shall deem advisable for the purpose of rescuing and succoring the people who are in peril and threatened with starvation" after the eruption of Mont Pelee in the French West Indies; and requested the President to obtain the approval of the French Government.

Act of January 18, 1907 (34 Stat. 850, ch. 154), authorized the President to distribute any necessary naval stores "among the suffering and destitute people of the island of Jamaica," suffering in consequence of an earthquake and conflagration.

Act of May 27, 1908 (35 Stat. 387, sec. 7), relieved officers of Isthmian Canal Commission from liability for \$11,205.53 for "materials and supplies furnished to the sufferers by the Jamaican earthquake" of January 14, 1907.

Act of January 9, 1909 (35 Stat. 584, ch. 7), appropriated \$800,000 to enable the President to distribute "provisions, clothing, medicines, and other necessary articles" among the "suffering and destitute people of Italy," suffering in consequence of an earthquake; and authorized the employment of any vessels of the Navy or other vessels for this purpose.

Act of May 13, 1910 (36 Stat. 367, ch. 232), authorized the President to distribute "tents, blankets, and other necessary articles" among the "suffering and destitute people of Costa Rica," suffering in consequence of an earthquake.

Act of February 18, 1911 (36 Stat. 919, ch. 114), authorized the Secretary of War to use an Army transport for carriage to China, under supervision of American Red Cross, of "supplies donated by the people of the United States for the relief of the sufferers from famine in China"; and appropriated \$50,000 for expenses.

Joint resolution of August 20, 1914 (38 Stat. 777), authorized the American Red Cross "during the continuance of the present war" to charter vessels of foreign registry, to carry the American flag, "for all uses in connection with the work of said society." The purposes of the society enumerated in the act of January 5, 1905 (33 Stat. 600, sec. 3), include carrying on a system of international relief in time of peace and applying it in mitigating sufferings caused by pestilence, famine, etc.

Joint resolution of September 11, 1914 (38 Stat. 778, No. 40), appropriated \$1,000,000 to enable the United States to fulfill the obligations devolving upon it in connection with its representation of the interests of foreign Governments and their nationals, to "extend temporary assistance to other governments and their nationals made necessary by hostilities" in Europe and elsewhere, and "for the care or benefit of citizens or subjects of foreign nations." (The acts of March 4, 1915 (33 Stat. 1138), and September 8, 1916 (39 Stat. 802), reappropriated the unexpended balance of this appropriation for the same purposes.)

Act of May 22, 1918 (40 Stat. 558, ch. 80), authorized national banks to contribute to the American Red Cross and provided that all money so contributed should be used in furnishing aid to wounded soldiers, etc., and "the relief and mitigation of the suffering caused by the war to the people of the United States and their allied nations." (Such contributions were presumably outside the scope of the ordinary corporate powers of national banks; see 24 U. S. C. 12.)

The Naval Appropriation Act of July 1, 1918 (40 Stat. 705), authorized the Secretary of the Navy to ascertain and pay "all claims for damages to and loss of private property of inhabitants of any European country not an enemy or ally of an enemy" caused by "men in the naval service during the period of the present war," provided any such claim does not exceed \$1,000.

Act of February 25, 1919 (40 Stat. 1161, ch. 38), appropriated \$100,000,000 for purchase, transportation, and distribution of "foodstuffs and other urgent supplies" to populations in Europe outside of Germany, German Austria, Hungary, Bulgaria, and Turkey (but including Armenians and other Christian and Jewish subjects of Turkey); expenditures to be reimbursed as far as possible by the peoples thereby relieved.

Act of July 11, 1919 (41 Stat. 130, ch. IV), authorized the Secretary of War to place at the disposal of the American Red Cross any "medical and surgical supplies and supplementary and dietary foodstuffs" no longer necessary for the United States Army, to be used "to relieve and supply the pressing needs of the peoples of countries involved in the late war."

Act of March 30, 1920 (41 Stat. 548, ch. 113), authorized the United States Grain Corporation to dispose of flour in its possession up to 5,000,000 barrels "to relieve populations in the countries of Europe or countries contiguous thereto suffering from the want of food."

Act of December 22, 1921 (42 Stat. 351, ch. 15), authorized the President to expend \$20,000,000 of funds of the United States Grain Corporation for corn, seed grain, and preserved milk to be distributed "for the relief of the distressed and starving people of Russia and for spring planting in areas where seed grains have been exhausted."

Act of January 20, 1922 (42 Stat. 357, ch. 30), authorized the President to transfer up to \$4,000,000 worth of surplus medical, etc., supplies to American relief organizations without charge "for the relief of the distressed and famine-stricken people of Russia."

Deficiency Appropriation Act of March 20, 1922 (42 Stat. 460), appropriated \$107,746.17 for European food relief.

Act of May 28, 1924 (43 Stat. 195), authorized the Navy Postmaster General to expend from the naval supply account issues ordered by the Secretary of the Navy "for the relief of sufferers in Japan following the earthquake which occurred September 1, 1923."

Act of February 24, 1925 (43 Stat. 963, ch. 297), approved issuance of Army supplies up to \$6,017,069.03 "for the relief of sufferers from the earthquake in Japan on September 1, 1923."

NOTE.—The act of February 12, 1794 (6 Stat. 13, ch. 2), appropriated \$15,000 for the support of inhabitants of Santo Domingo resident within the United States in want of such support. The account of the moneys so expended was to be lodged in the Treasury Department and charged to the debit of the French Republic.

The President, by a proclamation of August 25, 1906 (34 Stat. 3227), asked for contributions through the National Red Cross Association for relief in connection with earthquake at Valparaiso, Chile.

REGULATION OF MODES OF TRANSPORTATION

Mr. BAILEY. Mr. President, some weeks ago I made inquiries of the Secretary of War, the Secretary of Agriculture, and the Chairman of the United States Maritime Commission on the subject of Senate bill 2009, which is now in conference. They wrote to me a letter which by some means got into the press. I did not give it out. Since then I have received an answer to this communication from the committee known as the President's Committee.

Without intending to influence the conferees in any way, I now ask leave to have the original letter, with the answer, printed in the RECORD for the information of Senators, with a view to the hour when the conference report shall come before the Senate. May I have that consent?

The VICE PRESIDENT. Is there objection? The Chair hears none.

The letters are as follows:

FEBRUARY 16, 1940.

HON. JOSIAH W. BAILEY,

Chairman, Committee on Commerce, United States Senate.

MY DEAR MR. CHAIRMAN: The Secretary of War, the Secretary of Agriculture, and the Chairman of the United States Maritime Commission submit, in accordance with your request by letter of January 11, 1940, this joint statement as to the probable effects on water transportation and the national economy of the regulatory legislation proposed in the bill S. 2009 as it passed the Senate, together with the House amendments thereto. On separate occasions during the first session of the Seventy-sixth Congress the War Department, the Department of Agriculture, and the United States Maritime Commission presented their views either on individual bills or on all of the bills (S. 2009; H. R. 2531 and H. R. 4862) relating to the regulation of transportation. This statement, however, limits the comments to the provisions of S. 2009 as it passed the Senate and the House.

Such legislation would seriously affect the national defense, agriculture, and shipping, as well as other industry and commerce generally. The Departments of War and Agriculture, and the Maritime Commission, are vitally concerned with measures designed to develop and maintain adequate and efficient transportation for the basic needs of the country. In addition to its general interest, the Department of War is charged with a particular responsibility in the protection, preservation, and enhancement of the value of the country's investment in its Great Lakes system and its system of rivers, harbors, and canals. The Secretary of Agriculture, because of the responsibility which the Department has in affairs affecting the welfare of agriculture, is authorized by the Agricultural Adjustment Act of 1938 (sec. 201 of title II) to make complaints to the Interstate Commerce Commission with respect to the transportation of farm products. The concern of the Maritime Commission is that of fostering and encouraging, as authorized by law, the development and maintenance of an adequate and well-balanced American merchant marine in the interest of the national defense and the foreign and domestic commerce of the United States.

The prompt passage of various transportation bills introduced in the first session of the Seventy-sixth Congress was urged in order to meet an emergency in railroad transportation requiring quick remedial legislation on the part of the Government. There is no longer the same emergency condition. Indeed, if there is an emergency, it is in the water-borne commerce. In general, the net operating income of the railroads has risen with great rapidity in the last few months. However, the basic problems of transportation still persist. The war conditions and the enactment of neutrality legislation have given rise to sharp dislocations in our foreign commerce and shipping. The war now raging may have profound effects upon our domestic commerce and transportation, and should give us pause before finally adopting legislation providing for extended and possibly inflexible regulation of water transportation. Such legislation would require a long-continued and difficult process of readjustment of shipping operations, and might disturb our national economy in many ways, and affect the availability of merchant shipping for national-defense purposes. Unless the proposed legislation is clearly required in the interest of the public and of the shippers and consumers, existing rates and services of water carriers should not be subjected to such a burdensome thing as a radical change in regulative policy at a time when the disorganizing, destructive, and confusing effects of war are being felt.

While there are important differences between the bill as passed by the Senate and the House amendments, both provide for comprehensive regulation by the Interstate Commerce Commission of all

common and contract carriers by water in interstate commerce in three ways:

(a) By transferring from the Maritime Commission to the Interstate Commerce Commission regulatory functions over domestic water carriers (the Maritime Commission's jurisdiction over foreign commerce would not be touched).

(b) By subjecting to the Interstate Commerce Commission's jurisdiction certain water carriers not presently regulated; and

(c) By extending regulation to new subject matters.

THE THEORY OF THE PENDING LEGISLATION

The Senate bill or the House amendments, if enacted, would bring all the important agencies of interstate transportation, excepting air carriers, under the control of the Interstate Commerce Commission. Proponents of this development in regulation justify it largely upon an assumption of "keen and close" competition of these agencies with each other. By means of certificates of public convenience and necessity and permits, as well as through the use of minimum rate control, it is proposed to curb so-called cut-throat or destructive competition. Stress is also laid in the general declaration of policy upon the need for fair and equal regulation of all agencies of transportation, but with care to recognize and preserve the inherent advantages of each. The omission of air transportation, however, destroys the basis of the argument for unification of regulation. Specific provisions tend to render ineffective the general declaration of policy in the pending bill.

The basic purpose of railroad regulation, as embodied in the granger legislation of the 1870's and in the act of 1897 to regulate commerce, was to protect the public against extortionate rail rates, unjust discriminations, and undue preferences. With the passage of the Transportation Act of 1920, however, the public began to assume responsibility for the financial condition of the railroads. An endeavor was made to restrict competition of railroads with each other and with other types of carriers. Minimum rate provisions were adopted for the purpose of limiting price competition.

The body of this statement is divided into three parts corresponding generally, though not exactly, to the interest of the different agencies of the Government joining herein. Part I discusses a primary concern of the Department of Agriculture, that is, the probable effect of the proposed water-carrier regulation on the national transportation rate level and structure, both from the standpoint of the producer and the consumer. Part II is devoted to a consideration of the existing regulatory power of the Maritime Commission over water carriers, the undesirable effects of extending the railroad regulation plan to water transportation, and the need for careful adjustment of water-carrier regulation to the diverse types of water transportation involved. Part III considers the national policy for the improvement of inland waterways, the place of such waterways in the national transportation system, and its cost and its value to the Nation and to the shippers and consumers.

PART I. THE PROPOSED REGULATION OF WATER TRANSPORTATION AND THE EFFECT ON DISTRIBUTION AND PRICES OF COMMODITIES

When motor carriers were brought under Federal regulation in 1935, minimum-rate control was applied to both common and contract operations. While the proposals with respect to water carriers may be in the same direction, they are not justified unless such control is in the public interest. So far as we are aware, however, there has not been convincing evidence that shippers and consumers have benefited, or are likely to benefit, from this method of regulating motor and water carriers. On the contrary, both the Senate bill and the House amendments would expand and change the method of regulation of water transportation on the theory that the present economic situation of the railroads requires the form of regulation of water carriers provided for in the Senate bill and the House amendments in direct conflict with the general declaration of policy. As a matter of fact, many farm organizations, shippers, and their trade associations are alarmed at the proposals which they contain and sincerely believe that enactment of measures embodied therein would be detrimental to their interests. The farmers and other shippers in particular are convinced that the effect of the present bills would be to force water-transportation rates to levels closely approximating those of rail rates and higher than necessary to reflect the reasonable cost of water transportation, and that they, the users of water transportation, would be footing the bill for the sole benefit of the railroads.

Rail and water transportation have different economic characteristics

The commonly accepted justification given for the extension of the regulation now applied to railroads to other forms of transport than the railroads fails to distinguish between the distinct economic features of each agency of transport in relation to public policy. Unrestrained competition between railroads or between railroads and other forms of transport may be, and often is, destructive in character. The public interest would be better served by confining the movement of traffic to carriers or routes able to handle it profitably at low rates. There is real danger that the proposed legislation would result in an arrangement whereby rates would go high enough to yield profits to carriers or routes incurring the highest expense. The rail carriers have large, expensive plants, and a substantial proportion of their costs does not vary with traffic. They are operating considerably below an optimum level of traffic. Hence, the railroads not only have an incentive to lower their competitive rates to a level often little, if any, above out-of-pocket costs, but because of size and financial strength they have the ability to engage in vigorous destructive competition for a considerable period of time. They place high rates on noncompetitive traffic, of which a significant proportion consists of agricultural

products, to make up their revenue deficiencies on the competition-compelled reduced rates. The railroads' power in this manner to destroy or injure competing carriers thus injures also the main body of rail traffic, and is not fully controlled by the long-and-short-haul clause, minimum-rate regulation, and other statutory measures.

Wholly different conditions prevail in the water and truck industries. The investment in trucks, and frequently in water equipment, is relatively small, and most of the costs of these carriers, especially of the motor carriers, vary directly with traffic. Variations in motor or water traffic can be taken care of by appropriate additions to or deductions from equipment, since each vehicle or small combination is a complete carrying unit. Rates for different carriers providing these services tend toward a common level, for the operations are essentially small scale and competitive in nature. In these competitive industries the opportunity to discriminate is curtailed by the shipper's ability to transfer his custom to another firm. The water lines and trucks are more dependent for recovery of their expenses on rates that yield the operator's cost of particular services than are the railroads. This means that they, more than the railroads, are under a natural restraint not to practice destructive competition, and that there is less need in their cases for the imposition of statutory and artificial controls. That this has been recognized by Congress for more than half a century is evidenced by the long-and-short-haul clause, which imposed a necessary restraint on railroad power to destroy water competition and left the water carriers the larger freedom which the public interest required that they should have.

Thus, while maintenance of the controls now exercised over railroad rates is justified by economic considerations, we have grave doubts that identical rate regulation is required of the rail competitors. Regulation of safety and the requirement of public responsibility are without doubt justified. But failure to make proper economic distinctions between these industries only postpones the sound solution of the transportation problem in terms of the public interest.

Transportation problem a segment of the national problems of industrial depression, domestic and foreign trade barriers, and unemployment

What then are the remedies for the so-called transportation problem? In the first place, it should be recognized that the transportation problem is only a part of a larger problem. In reality the country faces an economic problem which largely consists of finding ways and means of increasing employment, production, and consumption to the end that our economic system can operate at reasonably full capacity under democratic controls.

The railroads and other agencies of transport are significantly affected by and can contribute measurably to the solution to this all-important social and economic problem. Unfortunately, the railroads seem determined to find a solution for the admittedly difficult financial situation of certain rail carriers without regard for the more general solution; in fact, from their public statements it would seem that they are seeking to solve their difficulties at the expense of agricultural and other shippers, consumers, and taxpayers.

Farmers and other shippers should not be required to pay rates based on transportation costs of properties improvidently built, wastefully operated, or partially obsolete. The advocacy of thorough regulation of the minimum rates of motor and water carriers by a centralized agency appears to represent an attempt to use Government power to bring competing transportation agencies into a cartel, and in this manner to share traffic and adjust rates in such a way as to earn a return upon all transportation capital of these agencies. The present high rail-rate level would be protected from the impact of vigorous competition. Undoubtedly such a policy would also result in more rigid rates in times of depression, since the motor carrier and the boat line would no longer play their role as an effective competitive force in bringing down rail rates on commodities susceptible to rail or truck, and rail or water movement.

Flexible rate structure to promote distribution

As stated above, the transportation problem is usually presented as an emergency requiring quick action on the part of the Government, which is requested to take action which will inevitably raise rates and throttle competitors in order to save the railroads. The suggestion that the railroads effect a rationalization of the railroad plan to eliminate uneconomic transportation services and adjust their charges in line with the lessened ability of shippers to pay goes unheeded.

The primary purpose of the Congress is to foster our domestic commerce by endeavoring to have transportation services supplied at reasonable costs, to be fair to the carriers in the trade, but not to favor them at the expense of the shipping public. It is particularly important that this congressional purpose be adhered to at the present time in the interest of our national economy in order to promote the use of these facilities in the solution of one of our major economic problems; that is, the greater distribution of farm products and other basic commodities.

The Department of Agriculture, for some years, has been advocating greater flexibility in rail rates, and lower rather than higher unit rates especially, as an aid in marketing surpluses of farm products and as vital prerequisites to the restoration of economic health to agriculture, to industry, and to transportation itself. As a means of improving the purchasing power of industrial labor and the urban population for surplus farm products, and that of the farmers for industrial, employment-giving products, the Department of Agriculture is working vigorously on plans and pro-

grams to obtain a larger distribution of such surplus farm products. The transportation factor is a large element in the cost of distributing farm products. Lower rail rates to reduce the great barrier of distance is an essential condition to the success of this effort to bring about a more effective functioning of our economy. Any improvement in the way of lowering distribution costs is likely to go to the farmer, the industrial worker, and the consumer.

The proposal to extend minimum-rate regulation to water carriers is not the solution for railroad and other transportation problems. This proposal involves the very real danger of advancing one more step toward the formation of a transportation cartel with restricted transportation services and a rate level sufficient to pay a return upon all sunk capital, whether or not it is needed by the public. This gives no promise of a solution of transportation problems in the public interest.

The land-grant railroads

A further provision of the bill as amended in the House of Representatives is of considerable consequence. Section 321 of part II, title III, page 301 of the printed bill, would relieve the land-grant railroads from the obligation of transporting employees or property of the Federal Government at less than the commercial rates. The preferential rates which the Government has enjoyed as a contractual right and which the Government would relinquish by the terms of this section are a specific condition of the large grants of land made to the railroads in earlier times. Almost 20,000,000 acres of these lands are still owned by six of the roads, but are not used in connection with their operation. The character, location, and use of much of this land are such that the existing maladjustments in land use occasioned by their present ownership would be greatly aggravated by their sale or transfer to numerous private operators. It is anticipated that over the next decade or two much of this land will, in fact, need to be reacquired by the Federal Government. The lands remaining in the ownership of the grantee railroads or their subsidiaries, of course, are the residue of the original grants, the parts for which there has been no demand by purchasers and only limited demand at low rates by renters. By and large, the lands which continue in the ownership of the land-grant railroads are, in very large part, the types of land for which public responsibility and management seem to be an almost inevitable and imperative requirement. Between 3,000,000 and 4,000,000 acres of these lands are within existing boundaries of national forests in large part checkerboarded with Federal lands and influencing their use. Other undetermined acreages are within the boundaries of Taylor grazing districts, national parks, reclamation withdrawals, and so forth. If these reservations are to be made effective it will be necessary in time for the United States to regain ownership of such of the lands within their boundaries as are now in private ownership. The normal expectation is that the owner of such lands will demand payment of considerations in cash or kind to induce them to part with the title.

The section of S. 2009 under discussion proposes to release the railroads from the obligation of transporting employees and property of the Federal Government at reduced rates.

If it is fair and equitable for the United States now to surrender its legal rights under these contracts, it would seem to be fair and equitable for the railroads involved similarly to surrender their residual rights under the same contracts; in other words to restore to the United States such parts of the granted lands as have not passed out of the ownership and control of the railroads and are not needed or used in the operation of the railroads.

Under such an arrangement the rights relinquished by the United States would be large and positive; those which would be relinquished by the railroads relatively small and of nebulous value.

PART II.—THE EXISTING REGULATION OF WATER CARRIERS AND ITS RELATION TO REGULATION OF RAILROADS

The Maritime Commission now has extensive jurisdiction over the rates and practices of common and contract carriers by water in the intercoastal trade and in particular may prescribe the maximum and minimum rates which they may charge. Similar jurisdiction is also exercised over the coastwise common carriers, except that as to those operating on the Great Lakes maximum rates only may be prescribed. All such regulatory power is by S. 2009 and the House amendments transferred to the Interstate Commerce Commission. It is to be noted in this connection that Congress in 1938, by withholding authority to the Maritime Commission to prescribe minimum rates for the Great Lakes common carriers, recognized that this particular form of regulation was not necessary or desirable in the interests of the carriers and the shippers using their facilities. The bill would authorize the Interstate Commerce Commission to prescribe minimum rates for this class of carriers.

The Senate bill and the House amendments not only greatly expand the scope of regulation of the rates and related practices of the water carriers but give to the Interstate Commerce Commission entirely new jurisdiction in other respects. The most important extensions of jurisdiction are the requirement of certificates of public convenience and necessity for the common carriers by water, the requirement of permits for contract carriers by water, and the regulation of the issuance of securities by the Interstate Commerce Commission in the case of both classes of carriers.

Regulation of water transportation and trade differences

Congress so far has not seen fit to subject to Federal regulation the rates and practices of contract carriers in the coastwise trade nor common (except as to joint rail and water rates) or contract carriers plying on the inland waters. Congress has taken particular care in the past to give full consideration to essential differences not only in the type of water carriers subjected to regulation but

also in the various trades in which they may operate. Under the bill the regulatory provisions affecting contract and common water carriers are made applicable without sufficient consideration being given to the basic differences arising from the character of the trade in which they may be engaged. One striking example is that, by prescribing the same general form of regulation for all contract carriers, the existing power to prescribe maximum rates for the intercoastal contract carriers would be destroyed. Congress in enacting the Intercoastal Shipping Act, 1933, considered it important to grant the power to prescribe maximum rates of contract carriers for the protection of shippers in this particular trade.

Intercoastal water traffic not important to railroads

The problems of the intercoastal carriers are mainly problems existing as between themselves, as Congress recognized in passing the Intercoastal Shipping Act, 1933, which gave the Maritime Commission a more extended jurisdiction over this class of carriers at that time than in the case of coastwise carriers. Much of the traffic in the intercoastal trade consists of bulk commodities which the railroads could carry only at rates unremunerative to them, making up the losses on other traffic. Even if all of the intercoastal traffic were carried by rail, it would not add substantially to the total tonnage of the railroads which are competitive. A fair comparison of the relative importance of the rail and water movements may be drawn from the fact that the seven principal western railroads carried 208,000,000 short tons of revenue freight in 1936, whereas both the common and the contract intercoastal carriers by water together carried 7,500,000 short tons. If this water traffic had moved by these western railroads, it would have increased their revenue tonnage by only 3.6 percent, and by reason of the low rates applicable to most of the commodities, their revenues would have been increased by an even smaller percentage.

Coastwise water traffic not generally competitive with rail traffic

As to the coastwise trade including the Great Lakes, the portion of the cargo carried by these water lines as bulk cargo, such as petroleum, ore, coal, phosphate rock, and sulfur, which, owing to the low cost at which it can be moved by water, is not generally competitive as between the water carriers and the railroads, is even greater than in the intercoastal trade. In the general cargo which moves in the coastwise trade there is included a substantial amount of transshipment cargo originating in or destined for foreign ports. The real problems relating to transshipment cargo are, first, to prevent its diversion to direct ocean carriers, most of which are foreign-owned foreign-flag lines, and, second, to further the development of this type of traffic. The Senate bill, which makes transshipment cargo subject to the Interstate Commerce Commission as to that part of the movement which is between ports in the United States, would in practice preclude domestic carriers from entering into transshipment arrangements with carriers in foreign commerce, and therefore would force existing traffic to these direct lines and prevent any further development of transshipment business.

Common carriers in the coastwise trade are now regulated by the Maritime Commission. Competition between contract carriers in the coastwise trade and the railroads is negligible. Both those operating on the high seas and those operating on the Great Lakes compete, if at all, only with the common carriers by water in those trades. It is these common carriers by water which desire, and would possibly be benefited by, the regulation of the contract carriers in these trades to the same extent as the common carriers. Suffice it to say that these problems primarily concern domestic water transportation and have little relationship to the problems of the rail carriers.

Problems of inland trade carriers considered in the light of historical national policy of low-cost water transportation

The extensive improvement of our inland-waterway system, which the United States Government has financed, indicates the clear purpose of Congress to provide for transportation, particularly of our basic commodities, at rates which reflect economies of water transportation. Commissioner Splawn, of the Interstate Commerce Commission, stated during the hearings on the Lea bill (H. R. 2531) before the Interstate and Foreign Commerce Committee of the House that the strengthening of the Interstate Commerce Act in 1920 was for the purpose of regulating the railroads on the theory that they had a substantial monopoly of domestic transportation. In addition to more rigid regulation of this monopoly, Congress decided to provide for the extensive development of inland rivers and canals, the coastwise water facilities. Waterways were developed and improvements made in order to meet the requirements of shippers and the general public for low-cost transportation and to escape from the virtual monopoly of the railroads.

Railroads monopolistic agencies with large fixed investments—water carriers competitive, with easy expansion or contraction of services

The railroad carriers may be considered as inherent monopolies in certain fields of transportation, while the water carriers have no natural monopoly in respect to water transportation. Every effort of the Maritime Commission with respect to the water carriers has been to prevent them from becoming monopolies and to retain the greatest freedom of competition consistent with service to the public. A railroad represents a huge investment in fixed properties, and the communities it serves would, in many instances, be greatly injured by its discontinuance. In the case of water carriage, the problem is in maintaining the transportation service, but not necessarily, however, by the particular carrier then in the trade. Consequently, the Maritime Commission, in viewing

regulatory matters, stresses the adequacy of the service as a whole to the persons employing it and the reasonableness of the carriers' rates with relation to the needs of both the shippers and the consumers. The maintenance of a particular carrier in trade, although not neglected, is not given controlling weight. It is felt that of necessity the Interstate Commerce Commission would have to use as a measure in all of its determinations involving the competitive efforts of the railroads and the water carriers to get business the railroads' struggle for existence.

Certificates of public convenience and necessity foster monopoly and destroy flexibility of service

The Senate bill and the House amendments provide for the issuance to all common carriers by water of certificates of public convenience and necessity by the Interstate Commerce Commission before such carriers may engage in water transportation. At present only those common carriers joining with railroads in publishing joint rates are required to obtain such certificates. Certificates of public convenience and necessity originated in the monopolistic character of railroads and serve a wholly justifiable purpose in preventing the creation of permanent uneconomic competition in that industry. On the other hand, domestic water carriers can compete among themselves without the withdrawal of any particular carrier being disastrous to the public and without the necessity for any carrier to continue to operate under circumstances which would ruin it. If for any reason one of the water carriers in the trade ceases operations, the transportation service which it offers can, in most instances, be taken care of through expansion of the facilities of the other carriers or through a new carrier entering the trade. Certificates of public convenience and necessity should not be used to create a monopoly in the branch of transportation industry where monopoly is presently nonexistent and where the public interest requires that competition, although it should be regulated to prevent abuses, should not be limited or discouraged. The great advantage of water transportation to shippers is the flexibility and variety of service it can offer. Certificates of public convenience and necessity would destroy this advantage and stifle competition. The same effect of stifling competition is discernible in the provisions of the bills, that except with the permission of the Interstate Commerce Commission, no carrier can operate both as a common carrier and a contract carrier. While there may be some objections to this dual form of operation under particular circumstances, in general it is desirable to have that flexibility.

Applicable statutes now protect investors in water transportation securities

As to the control of issuance of securities by domestic water carriers, it must be borne in mind that whenever there is a public issue or distribution of such securities the Securities and Exchange Commission presently has the regulatory powers necessary to protect the investing public. As to Government loans under title V of the Merchant Marine Act, 1936, and insurances of preferred mortgages under title XI, the Maritime Commission's jurisdiction thereover is entirely adequate, because of definite and detailed legislative requirements in connection with such loans and insurance. Since the matter is covered by applicable statutes, the only reason that could be given for vesting control of the issuance of securities in the Interstate Commerce Commission is that the credit opportunities of the water carrier should be limited for the benefit of the railroads.

Transportation regulation in connection with governmental promotion of domestic and foreign shipping

One of the reasons advanced for the transfer of jurisdiction over the water carriers from the Maritime Commission to the Interstate Commerce Commission is the supposed existence of some conflict between the regulatory functions of the Maritime Commission and its so-called promotional functions. These so-called promotional functions are not *carte blanche* delegations, but are express statutory powers given by Congress in order that the Maritime Commission may promote domestic and foreign shipping in the interest of our commerce and our national defense. As far as domestic water carriers are concerned, the only powers which the Maritime Commission has apart from regulation are to assist them in the construction of new vessels, through loans for such construction under title V of the Merchant Marine Act, 1936, and to aid in the financing of new construction, reconstruction, or reconditioning through the insurance of ship mortgages under title XI of the act, as amended in 1939. In exercising these functions the Maritime Commission acts in very much the same manner as the Interstate Commerce Commission does in passing upon applications of the railroads for approval of the issuance of securities. Furthermore, the Senate bill inconsistently provides that the Interstate Commerce Commission in the case of water carriers pass upon their credit needs both in the case of public and private financing while at the same time regulating them.

Difficulties and uncertainties arising from attempt to place all transportation agencies under a uniform code

As Commissioner Eastman pointed out in his testimony on S. 2009, from the point of view of rail regulation the Senate bill is a codification, with many changes in language, of the Interstate Commerce Act, and these changes in language would make the task of interpreting and applying the Senate bill to the railroads extremely difficult. The bill makes an even greater change in language and intent from the portions of the shipping acts, the subject of which is incorporated therein, particularly because language used is made equally applicable to all classes of carriers. The attempt to apply terms and definitions heretofore used with particular reference to specific types of carriers by way of omnibus legislation for both the

railroad industry and the shipping industry will entail serious difficulties in interpretation and administration.

Recent congressional policy with respect to unification of rail and water carrier regulation

Congress has previously rejected all requests of the railroads or the Interstate Commerce Commission to place the regulation of water carriers under that Federal agency. The Merchant Marine Act, 1936, as it was originally enacted, contained a provision authorizing the President after 2 years to transfer the regulatory powers of the Maritime Commission over water carriers to the Interstate Commerce Commission. On the basis of a careful study of this problem by the Maritime Commission, the Congress saw fit in the Seventy-fifth Congress, second session, to withdraw this authority for transfer by Executive action.

Cooperation in regulation as a means of achieving desirable objectives of unified administration

Coordination is a very desirable objective, but it is best obtained by a proper spirit of cooperation between various agencies of the Government, each of which is expert as to the several problems involved and not through subordination either in theory or in practice of one phase of the problem to the other. The Maritime Commission has always cooperated very closely with the Interstate Commerce Commission as to water rates which in any way affect rail rates. It has recognized the gravity of the railroad problem and in practice given most careful consideration to the effect of any regulatory action which it has taken upon the railroad rate structure. More than this cannot justifiably be asked.

PART III. THE PUBLIC INVESTMENT IN, AND THE NATIONAL BENEFITS OF, THE INLAND WATERWAYS SYSTEM

Inherent differences in the character and functions of the several modes of transport require altogether different treatment. Inland water service, for instance, is slow, limited of access, unadapted to high-class commodity movements, and subject to occasional interruptions from fog, ice, low water, and flood conditions. To offset these disadvantages it enjoys flexibility of routes and schedules to meet the varying demands of consumers and the operator's cost is usually very low. It plays an essential part in certain basic industries of the country. In particular, it neither occupies nor needs exclusive right-of-way in order to function. The pending legislation, however, threatens to nullify these inherent advantages by imposing restrictions which will, in our opinion, unwarrantably sacrifice the public investment in low-cost transportation without any compensating benefits whatever.

On the face of it there could be no valid grounds for objection to the regulation of waterways and water carriers "so administered as to recognize and preserve their inherent advantages." If these objectives were faithfully carried out by an agency of the Federal Government familiar with their special limitations and potentialities, a far greater volume of water-borne tonnage would develop than has been permitted to seek the waterways under the present competitive system. The question which causes us deep concern is whether "equal" regulation as proposed in the pending legislation will recognize and allow for these inherent differences. Under the guise of equality it is quite possible that rules and restrictions applicable to railroads could be given literal application to waterways with completely destructive effect.

Railroad practices in meeting water competition

The large preponderance of rail freight, by reason of its character or location, is not open to water competition, and this non-competitive traffic can be and is taxed by the railroads under the existing system by means of high rail rates in order to maintain low rail rates between river ports. In many cases these water competitive rates do not bear a full share of the cost of rail service. These low rates are defended and sanctioned on the much abused out-of-pocket-cost theory. Such rates, even when they yield no profit, serve the carriers' purpose in that they deprive competing waterways of tonnage which they might profitably handle. The water carriers have no backlog of noncompetitive tonnage upon which to shift the burden of competitive rate reductions, all of their traffic being equally adapted to rail transport except in the ability to bear high rates. The water carriers' only salvation lies in their genuinely low operating costs. Even so, if the campaign could be continued long enough by the rail carriers, without bankrupting themselves or their shippers, the water lines could eventually be starved out of business and the rail monopoly restored. Apparently the intent of the Congress to protect legitimate water traffic from unfair competition was expressed in the long-and-short-haul clause of the existing law, but relief from its restrictions is now frequently granted by existing regulatory agencies, wherever waterways enter the picture. The shipping public is thus led to forego the real economic benefits provided by the waterways at public expense and to accept in lieu thereof rail rate reductions which work injury to the railroads themselves. The very questionable advantages which the rail carriers derive from the practice are a depletion of waterway tonnage, a consequently misleading rise in waterway costs per ton-mile, and the discrediting of the sound policy of river improvement by the Federal Government.

We are convinced that the above-described practices, and not the comparatively small volume of tonnage actually moved by water, are largely responsible for the plight of the railroad industry. Commissioner Eastman summed up the situation last year in his concurring opinion in the Fifteen Percent case, as follows:

"Since 1922, however, there have been no general changes in rates, except for the emergency charges. We have made many re-

adjustments of particular kinds or classes of rates, some upward and some downward. Possibly the latter have somewhat predominated, but certainly nothing that we have done has accounted for the drop in average ton-mile revenue from 1.116 cents in 1923 to 0.974 cent in 1936. Without doubt that has been caused in very large part by reductions in rates made voluntarily by the railroads to meet motortruck or water-carrier competition, and to a lesser degree by an increase in average length of haul and changes in the relative amounts of the various kinds of traffic, likewise the result of competition."

The Interstate Commerce Commission also very aptly described the situation thus in Ex Parte 115 some 2 years ago:

"In their need for increased revenues, applicants (the railroads) have been careful to avoid proposing any increases in rates which have been published to meet the competition of other forms of transportation, although these are the depressed rates which are so largely responsible for their financial troubles."

No public complaints as to water-transportation policies

As far as we are aware, there is no dissatisfaction on the part of the public with the transportation service afforded on the inland waterways; charges are of necessity fully compensatory, and there is no destructive rate warfare as between carriers. It seems to be generally accepted that the need for rehabilitation of the insolvent railroads has been brought about in large part by certain wasteful fiscal and operating practices and conditions within that industry itself, and it would naturally be expected that remedial legislation would direct itself in the main toward the correction of those unwholesome conditions. Much, undoubtedly, could be done in the way of reducing unnecessary and wasteful duplication of rail terminal and interchange facilities and operations, which the Federal Coordinator of Transportation found to be "one of the greatest items of railroad expense and probably accounting for more than 50 percent of the total expense."

All the provisions of the bills seem designed to free the railroads from restraints and obligations, while imposing restrictions on their water competitors and making it more expensive for the public to move freight. Under these provisions inland water carriers can easily be regulated out of existence without the recapture of enough tonnage to affect railroad earnings appreciably. At best the provisions would tend to discourage the development of water-borne tonnage on important links of the inland system now nearing completion or but recently completed and opened to pioneer traffic. In fact, surveys by the War Department indicate that the consequent rise in the cost of service would be calculated to discourage the movement of freight which requires cheap transportation.

Inland-waterway improvements based on careful transportation planning

For many years the Chief of Engineers of the War Department has built up and maintained a technical staff of transportation and traffic specialists familiar with all types of carriers, whose function includes not only the thorough study of the economic phases of each proposed river and harbor improvement and the effect on existing transportation agencies, but also the conduct of economic analyses of going waterway projects and their effect on the movement of traffic. They have gathered representative data and have developed satisfactorily consistent unit costs covering the movement of freight by rail and water under a wide variety of conditions. It would otherwise be impossible for the War Department to render efficiently the detailed and comprehensive reports on river and harbor improvements required by the Congress. It would also be impossible to render sound and balanced reports as to the merits of proposed improvements without coordinating these economic studies with field surveys showing the physical limitations as to size, type, capacity, and cost of navigation facilities in their relation to the comprehensive plan of development. No difficulty is encountered by the War Department in cooperating with other Government departments in the public interest wherever responsibilities or jurisdiction overlap, and it is at a loss to account for the theory that the grouping of all transportation investigations exclusively under one agency or board would guarantee more complete impartiality or efficiency, or would compensate for divorcing cost estimates from the corresponding appraisals of benefits. Economic studies are an essential part of engineering surveys.

Public benefits from low-cost water transportation

The overwhelming preponderance of testimony on these questions is partisan in character, and while there is nothing unnatural in the antagonism of rail and water operators or rail and water shippers toward each other, their interests being primarily involved in their own profitable operations, it is recognized that these interests cannot be expected to coincide with each other nor with the interests of the country at large. For that reason it requires long practice and familiarity with the problem to sift the testimony for facts bearing on the distribution of savings in transportation charges. The War Department's findings indicate clearly that savings on inland-waterway transportation are sufficiently general and widely enough distributed to be counted as public benefits. The War Department's endeavor has been concentrated on determining in each case whether there is an actual net economic benefit to be distributed.

Regulation of joint rail and water rates and its effect on the public interest

In the hearings before congressional committees there were repeated assurances, both official and otherwise, that regulation of

all forms of transportation by the same agency would insure equal treatment, and that the natural advantages of each form would not be nullified. It is felt that the committee is entitled to the experience of the War Department with respect to such regulation as applies under existing statutes. Although the War Department has recommended unfavorably on the majority of proposed improvements, the district officers and the Board of Engineers, after thorough study of the engineering and economic aspects of certain waterway projects, have frequently found and so reported that the prospective savings to the public in cost of transportation so far outweighed the cost of improvements that the improvements were justified. In many such cases it has happened that after the completion of a project the prospective water-borne tonnage has not developed or its development has been unduly retarded because the competing rail carriers have been granted relief from the long-and-short-haul clause. Also, where the anticipated traffic has been of the combined rail-water character, thus putting the joint rates directly under rail regulation, the water portion of the rates have been set by the regulatory commission, not on a basis related to the water carriers' operating cost or the distance by water, but on a fixed differential of from 10 to 20 percent below the rail rate between ports. This manner of regulation has apparently prevented the formation of common-carrier barge lines and has prevented the interior shippers from realizing the full economies for which the waterways were provided. It has also undoubtedly prevented a large volume of tonnage from seeking the waterways, which could use them to the real profit and advantage of both shipper and carrier. This experience with regulation by agencies not historically closely identified with waterway problems causes apprehension on our part that the further extension of regulatory powers in the bills passed by the House and Senate would not be in the public interest.

Independent regulation of water transportation

It is fully realized that the need for improving the transportation situation is acute and that there is no simple solution for the problem ready at hand. It is essential to realize that water transportation is unlike all other forms of carriage. It is the aggregate of thousands of small independent operators on the inland waterways which gives the character, furnishes the natural regulation, and automatically enforces the fair practices required in this type of transport. But it cannot sustain for long destructive competition. The remarkable fact is not that there is so little water-borne tonnage but that so large a volume actually seeks the waterways in the face of the most determined efforts to prevent it. The fact seems to be that maintenance of competitive rates below cost by the railroads has proved more disastrous for them than for their competitors, and now they seek to have such unsound business judgment transformed into wisdom by legislation. The regulation provided in the bills could be employed so as to paralyze inland waterways and the industries dependent upon them. Testimony before the House Committee on Interstate and Foreign Commerce stressed the unsoundness of relating water rates to the present rail rate structure and thus depriving the public of such economies as are made possible through the use of waterways. It insisted on the soundness of regulating water rates with a view to the needs and the potentialities of water transportation. The free flow of specially adapted tonnage should be permitted to reach and use the waterways unhampered to the end that commerce may move in increased volume at the lowest possible cost. It is believed that such steps would be in the interests of the taxpayers, the shippers, and the carriers themselves.

Respectfully submitted.

HARRY H. WOODRING,
Secretary of War.
H. A. WALLACE,
Secretary of Agriculture.
E. S. LAND,

Chairman, United States Maritime Commission.

WASHINGTON, D. C., February 28, 1940.

The Honorable JOSIAH W. BAILEY,
United States Senate, Washington, D. C.

DEAR SENATOR BAILEY: Under date of February 16, 1940, in response to a request from you, the Secretary of War, the Secretary of Agriculture, and the Chairman of the Maritime Commission addressed to you, as chairman of the Senate Committee on Commerce, a joint letter, in which these Government officials express their disapproval of so much of S. 2009, now in conference, as relates to the regulation of the rates and services of common and contract carriers by water.

The views of these gentlemen are well known since, as pointed out in the opening paragraph of their letter, they have previously favored the Congress with their opinion. Under date of June 20, 1939, Secretary Woodring, in a letter to Chairman LEA of the House Committee on Interstate and Foreign Commerce, which letter fills five columns of fine print in the CONGRESSIONAL RECORD, went fully into his reasons for disapproving the regulation of water carriers. On July 17, 1939, Secretary Wallace, in a lengthy letter to Speaker BAKER, advanced the views which he reiterates in his letter to you of February 16, 1940. In the CONGRESSIONAL RECORD of May 24, 1939, at page 8596, et seq., appears a statement from Admiral Land which, with the accompanying tables, covers seven columns of the RECORD. In these letters and statements will be found substantially all the arguments that are now advanced against water-carrier regulation.

In spite of these arguments, the Senate, on May 25, 1939, passed S. 2009, with the water-carrier regulation feature therein, by a vote of 70 to 6, with 20 Senators recorded as not voting. On July 26, 1939, this bill, with water-carrier regulating provisions similar to the Senate bill, passed the House by a vote of 273 to 99, with 10 Members paired and 44 Members recorded as not voting. Now, after both Senate and House have overwhelmingly recorded their support of this feature of the bill, these high Government officials come forward with a renewed assault upon sections of the bill that present no serious differences to the conferees.

On September 20, 1938, the President of the United States, mindful of the serious nature of the railroad problem, appointed a committee of three railroad executives and three railroad labor executives to consider and make recommendations as to what could be done, by way of legislation, to improve the situation of the railroads, recognized by everyone as essential to the public welfare.

After careful consideration, on December 23, 1938, the committee made an extended report, embodying its conclusions and recommendations. The keynote of the report was the necessity for equality of opportunity. Among other things, the committeemen unanimously suggested that all forms of transportation should be subjected to regulation by the Interstate Commerce Commission, a body which for 50 years has enjoyed the utmost of public confidence. This letter is presented on behalf of the surviving members of this committee by a representative of each of the groups.

We respectfully submit that, in opposing this legislation, the distinguished gentlemen who signed the letter of February 16, 1940, are not in accord with the most enlightened public opinion.

In his message to the Congress bearing date of June 7, 1935, President Roosevelt said:

"Another bill for the regulation of intercoastal and coastwise trade and of some of the inland-waterway carriers prepared by the Coordinator has been introduced and is before the Congress for action. I recommend that this bill be considered by the appropriate committees and pressed to early passage. I can see no reason why the responsibility for the regulation of intercoastal, coastwise, and inland waterways should not be vested in the Interstate Commerce Commission."

In a radio address from the White House on April 28, 1935, President Roosevelt said, among other things:

"There is need for legislation providing for the regulation of interstate transportation by bus and trucks, to regulate transportation by water, new provisions for strengthening our merchant marine and air transport, measures for the strengthening of the Interstate Commerce Commission to enable it to carry out a rounded conception of the Nation's transportation system in which the benefits of private ownership are retained while the public stake in these important services is protected by the public's Government."

These views of the Chief Executive of the Nation are supported by repeated utterances of the Interstate Commerce Commission, one as late as January 29, 1940, and by the Federal Coordinator of Transportation, who is chiefly responsible for the provisions of S. 2009 dealing with this subject.

At a time when the Inland Waterways Corporation was subject to the control of the War Department, its then president, Maj. Gen. T. Q. Ashburn, testifying before the Senate committee on April 11, 1939, when this very bill was under consideration, said:

"So far as Senate bill 2009 is concerned, I have read it over very carefully. I think it will accomplish all that it is intended to accomplish, and I think it is a good bill."

Again, at the same hearing, there occurred the following colloquy:

"THE CHAIRMAN. * * * There has been testimony before this committee that if this bill passes, regulating water carriers on the Mississippi River, it will put the water carriers out of business. Do you have any such fears of that, or do you think that will be the result?"

"GENERAL ASHBURN. I have no fear at all of that; and I think they ought to be regulated."

At this same hearing before the Senate committee, Mr. Harry C. Ames, representing the Mississippi Valley Barge Line Co., a privately owned carrier on the Mississippi, on April 12, 1939, used this language:

"And on behalf of that company I desire to go on record as saying that we are not opposed to regulation; in fact, we favor regulation which will bear equally and protect equally all forms of transportation."

Many other similar expressions from representatives of substantial water carriers could be cited. Their view is well expressed by Mr. Edward P. Farley, chairman of the executive committee of the American-Hawaiian Steamship Co. and former chairman of the United States Shipping Board, who, in a statement bearing date of February 14, 1940, advocated the passage of this bill. In that statement he points out that 12 years ago there appeared on behalf of the owners of nine domestic fleets, representing the great preponderance of tonnage in domestic common-carrier service, a brief in support of unified regulation. Near the end of his illuminating statement, Mr. Farley says:

"The claim that regulation of water rates by the I. C. C. would result in favoritism to the railroads is an unfair indictment of the intellectual integrity of the members of the Commission. No charges of unfairness or discrimination have been sustained in all the long life of the Commission."

In that part of the letter of February 16, 1940, obviously prepared by the Secretary of Agriculture, language is used that may convey the impression that the farmers of the country are united in their opposition to the bill. But if such is the belief of the Secretary, he is misinformed. In a speech delivered in the House of Representatives on July 14, 1939, the Honorable JAMES E. VAN ZANDT, of Pennsylvania, enumerated numerous important farm organizations throughout the country that support the bill. With great deference, we respectfully submit that the Secretary of Agriculture does not speak for the best interests of the farmers when he opposes the regulation of water carriers. Indeed, his argument reads like a special pleading strained to support a view adopted before the subject had been carefully examined.

His argument is far more potent as against the regulation of truck rates than water rates, particularly when he says:

"The investment in trucks, and frequently in water equipment, is relatively small, and most of the costs of these carriers, especially of the motor carriers, vary directly with traffic."

And yet commercial transport on the highways has been regulated by the Interstate Commerce Commission since 1935, and no one seriously proposes the repeal of the Motor Carrier Act.

The Secretary does not assert that water transport directly benefits the farmer, since it is well established that his products do not move by water until he has parted with their ownership, and equally well established that he gets little or no benefit from low water rates paid by those who sell to him his necessary oil, machinery, and other supplies. As has been pointed out more than once in the debates on this bill, most of those who use the waterways add the rail rate to the selling price, whatever may be the undisclosed rate which they pay for water transportation.

As Senator REED emphatically stated on the floor of the Senate on May 22, 1939, when the bill was under discussion:

"I am saying that nobody has ever been able to point out how any benefit has been derived by a farmer in the State of Kansas from the water rate."

The Secretary of Agriculture insists that rail rates on agricultural products should be reduced. Yet he points out that under the present system the railroad tendency is to lower competitive rates and make up their losses by placing "high rates on noncompetitive traffic, of which a significant proportion consists of agricultural products, to make up their revenue deficiencies on the competition-compelled reduced rates." It does not seem to have occurred to the Secretary that when all rates, rail and water, are under regulation, such a practice can be controlled by the regulating body.

In that part of the letter of February 16 manifestly attributable to the Maritime Commission, it is said that measured by revenue tonnage, the intercoastal water carriers transported only 3.6 percent of the total tonnage of seven principal Western railroads. Such a statement is very misleading. The average rail haul is about 350 miles and the haul of the traffic moved by these intercoastal water carriers, if moved by rail, would be probably eight times as great as the average rail haul. Instead of 3.6 percent representing the relative importance of rail and water carriers, the figure would be nearer eight times the percentage stated in the letter.

The Maritime Commission is concededly a promotional organization. That by its very nature it is a partisan body no one can successfully deny. Its efforts to retain control over the rates and services of the water carriers grows out of its obvious purpose to encourage water transport, without regard to the interest of other agencies of transportation equally essential to the public welfare. This Commission, if we may say so without offense, loses sight of the transportation picture as a whole, and unintentionally disregards the welfare of those millions of our citizens who must depend upon land transportation for their very existence.

It is a little difficult to appreciate the interest of the Secretary of War in this matter. The bill does not deal with waterway extensions or the amount of money which shall be expended thereon.

Some complaint is made because the railroads upon occasion lower their rates to meet water competition, a tendency which would obviously be checked by regulating both types of transportation. The Secretary of War quotes from the decisions of the Interstate Commerce Commission to show that the rail carriers have reduced their rates voluntarily since 1922. One may well inquire, So what? If this is a disorderly process, should it not be corrected? And will not full regulation help to correct it?

The Secretary speaks with commendable pride of the work of his traffic specialists. But these gentlemen often lose sight of the larger aspects of the question, as the recent report of the Interstate Commerce Commission on the proposed Lake Erie-Ohio River Canal conclusively demonstrates. This report, it should be stated, was made in response to a request by the President of the United States.

The letter, viewed as a whole, is based on various unsound assumptions. As an example, on page 17 occurs the statement: "All the provisions of the bills seem designed to free the railroads from restraints and obligations while imposing restrictions on their water competitors and making it more expensive for the public to move freight." It is only by the exercise of restraint that one can treat such a statement without display of impatience.

Surely the author of this paragraph has never read the bill. Nowhere are the railroads freed of restraint and obligations. If the eminent authors of this letter are really anxious to bring about equality, and if they favor accomplishing this end by leaving water rates unregulated, while at the same time relaxing rail regulation,

why not repeal the long-and-short-haul clause, the prohibition in the law against ownership and control of water lines by railroads, and that section of the act that compels railroads to join in joint rates with the water lines?

Certain fundamental propositions are perfectly clear. The country must have a transportation system that can function in an orderly manner. The public is entitled to select that system that is most convenient and economical. Each mode of transportation has certain inherent advantages. These natural advantages should not be enhanced by artificial Government favoritism.

All forms should be equally regulated, equally taxed, and treated equally in the matter of subsidies. This bill is a step in the right direction, so far as regulation is concerned. The railroads and their employees are asking only for equality; they seek to destroy no one; they invoke the principle of fair dealing and common justice.

If the proprieties will permit, we respectfully ask that this letter be placed in the CONGRESSIONAL RECORD.

Very respectfully,

E. E. NORRIS,
President, Southern Railway.

B. M. JEWELL,
President, Railway Employees' Department, A. F. of L.,
Members, Committee appointed by the President.

SEVEN YEARS UNDER ROOSEVELT

Mr. BARKLEY. Mr. President, this day marks the seventh anniversary of the inauguration of Franklin D. Roosevelt as President of the United States.

Throughout the Nation today millions of Americans who are not interested in or agitated primarily by political controversies but who nevertheless entertain a consuming interest in the welfare of our people and our institutions, will be surveying in their minds these 7 years and attempting to assess their contribution to the political, moral, social, and economic development of our generation.

In common with them, and in pursuance of both my inclination and my duty, I have been attempting to survey and assess these years in the light of the incontrovertible conditions which produced them, and the measure of success with which these conditions were met and mastered.

In doing this I have sought, insofar as my limitations and my acknowledged partiality would permit, to insulate myself from the type of narrow partisanship which claims all virtue for itself and denies it to all others.

The 7 years through which we have been living have been unique years for our country and for the world. Problems so baffling and stupendous, so intimately interwoven with our individual and collective lives, and yet so far-reaching in their effect upon our present and future outlook as a people, have arisen at every turn of the road and at every step we have taken that the wonder is not so much that we have traveled so far and accomplished so much but that we did not surrender to the inexorable fate which all pessimists announced had overtaken us.

We live in a world that refuses to be stationary. We live in a world that is peopled by seething billions of human souls, who, if possessed of normal instincts, are striving for a better world and for a better place in that world for themselves and for their children.

In the effort to obtain that goal, clashes of personal interests, of group interests, of racial interests, of national and international interests, are inevitable; and these clashes leave their scars upon the face and upon the heart of humanity in our day, just as they have done in all the ages of man's history.

In the effort to bring some form of order out of the resulting chaos, to clear away the debris which has choked the channels of progress, and to coordinate the moral and intellectual strength of the masses whose faces were set toward the goal of their aspirations, governments have been ordained. Sometimes they have been imposed upon the people by brutal and ruthless methods. Sometimes they have been set up by the people themselves, based upon the inalienable right of every human being who submits to authority to have a voice in its creation.

It is my purpose today to speak, in brief but comprehensive outline, of this 7-year period carved from the history of the latter type of government to which I have referred, the United States of America.

Any commentator, no matter how experienced, confronts a difficult task when he seeks to measure the stature of a contemporary. The task becomes doubly difficult when he seeks to appraise a contemporary whose greatest test is still before him.

Recently I reread some lines written by a distinguished journalist. He was appraising a man on the eve of his inauguration as President of the United States. I quote his appraisal:

A man of good heart and good intention, he is not firm. The times demand a Jackson.

The name of the journalist was Henry Villard, and the name of the man thus appraised was Abraham Lincoln.

Remembering our own repeated failures in the art of accurate appraisal, we may temper our judgments concerning any man who has failed at prophecy concerning the ability and achievements of another. But if we are fair, which connotes the element of justice, we should be able to recognize, and admit, the greatness of a man on the basis of a record of undisputed achievement, even though that man be our contemporary, and even though some of those who indulge in the appraisal may differ from him on some or many proposals or positions. So today I feel that we are justified in pausing here for a brief period to pay tribute to a man who will be honored by countless generations of Americans yet unborn, and to a record made by him and those who have labored with him in behalf of the American people.

No President since, or save, Lincoln has faced so grave a crisis in our political life as did President Roosevelt on that gray day of March 4, 1933, when he took the oath of office as President of the United States. Because we are prone to forget dangers when they have disappeared, let me briefly recall the conditions which faced him and the country on that historic day.

During a period of depression which had existed for nearly 3 years, the industrial machinery of the Nation had been slowing down until it had practically reached a standstill. To use a quotation which is rolled as a sweet morsel under the tongues of Republican candidates for President, "The economic system had stalled on dead center."

Millions of wage earners—estimated at between thirteen and fifteen millions—dismissed because their employers had no work for them to do, were in a state of despair over the question of reemployment. Those who were fortunate enough to have any left were living on their savings. Then came the final disaster—the epidemic of bank failures. Slowly at first—one here, one yonder, scarcely noticed by those who were vainly seeking jobs, banks had been failing throughout the country.

Then more and more of them collapsed, each weakened link in the chain dragging down still others. Suddenly the whole Nation awoke to the danger. A great wave of panic swept across the country. Men and women beat against bank doors, fought each other and fought those stationed there as guards, in a fruitless effort to enter those closed banks and withdraw their precious savings. When they were turned away, they went, with white faces and dazed expressions, to stand in bread lines. And in those lengthening bread lines there was muttering and ominous threats and imprecations.

This was the picture which confronted Franklin D. Roosevelt when he took the oath of office on March 4, 1933. These were the problems which he was called upon to face and solve, if possible, to prevent Americans from starving, and to prevent the possible destruction of all for which our forefathers had so earnestly striven.

There were able and honorable men and women who doubted the ability of Mr. Roosevelt to deal with this situation. As in the preinaugural appraisal of Lincoln, to which I have referred, Roosevelt was given credit for good intentions, but he, too, was believed to lack firmness. "He does not possess sufficient experience or decision" chanted the soothsayers.

The manner in which he confounded these gloomy predictions is now as definite and important a part of our national history as are the acts of Lincoln.

THE BANKING SITUATION

Roosevelt's first official act as President was to close the banks in order to preserve them from hysterical runs which threatened even the strongest institutions, and in order to provide a period of examination and reorganization. The promptness and decisiveness with which this action was taken is generally conceded to have saved the banking structure, if not indeed the entire financial structure of the Nation. But this emergency action was not sufficient. The President had not forgotten the plight of millions of panic-stricken depositors. It was essential that this tragedy be not repeated, and in order to make sure that it should not be repeated, the Federal Deposit Insurance Corporation was created.

In the 4 years preceding the inauguration of President Roosevelt, there were 6,035 bank suspensions in the United States. This figure does not include 3,413 banks which could not reopen following the bank holiday. Since the Federal Deposit Insurance Corporation has been in operation the number of bank failures has been reduced to an average of 51 per year. When a member bank fails, under this law the Federal Deposit Insurance Corporation takes charge of the bank and takes charge of its reorganization, if it is to be reorganized, and attempts to salvage as much as possible of its assets for the stockholders and depositors. All deposits not in excess of \$5,000 are guaranteed, as we all know.

When the record of the Roosevelt administration is finally appraised in the cool but penetrating light of history, it is my opinion that special emphasis will be placed upon his efforts to follow emergency action with long-range planning, and that the creation of the Federal Deposit Insurance Corporation will be regarded as typical of this characteristic.

RELIEF

However, back in 1933, before any movement could be made toward long-range planning for future protection and conservation, there were many emergencies which had to be coped with, first of which was relief for the hungry unemployed. The President had promised in his inaugural address that none should starve, and in order that this pledge be kept he asked Congress for an appropriation of \$3,300,000,000, which was promptly granted. This first Emergency Relief Act was approved on March 31, 1933, less than 1 month after President Roosevelt had been inaugurated. It provided not only direct relief, through grants-in-aid to the States, but for such other emergency measures as were deemed necessary.

By the summer of 1933 the Federal Emergency Relief Administration was employing a million and a half persons on local relief projects.

THE CIVILIAN CONSERVATION CORPS

In the meantime, on April 5, 1933, just 1 month after he assumed office, the President created the Civilian Conservation Corps, to provide for the employment of thousands of young men between the ages of 17 and 23 who found themselves without employment and without prospects, and who were in imminent danger of yielding to the temptations of crime in the absence of jobs. Since that date more than 2,500,000 young men have been enrolled in the Civilian Conservation Corps. While this organization was created to meet an emergency situation, the work which has been done by the enrollees has proven to be, and will continue to be, of such lasting value to the country that there is almost universal demand that this activity be made permanent.

Notable among their accomplishments has been the planting of one and a half billion trees on waste lands throughout the country, the development of recreational facilities in National and State forests and parks, the planning and construction of wildlife sanctuaries, the conservation of soil resources on 13,000,000 acres of farm and grazing lands, and the spectacular aid which they have rendered to the Nation in fighting floods and forest fires.

In terms of human values, which cannot be ignored in any appraisal of these past 7 years, it is impossible to estimate the benefit derived from the Civilian Conservation Corps. These young men, many of whom might have become enemies of organized society, were returned to private life stronger and better physically and mentally, and with the aid of useful

training they had received were able to take their places as valuable, self-respecting, and self-supporting citizens.

RELIEF FOR INDUSTRY

Having kept his pledge to provide immediate relief for the destitute, the President turned his attention and directed the attention of Congress and the country to ailing industry. Hungry men and women and children must have food, but men wanted and sought jobs, and until industry began again to function he realized and the country realized that there could be no genuine recovery. The first step in this direction was the creation of the Public Works Administration, approved on June 16, 1933.

In the first half of 1933 factories producing durable goods of all kinds had employed only 44 percent as many men as in 1929, lumber mills about 45 percent of their 1929 crews, cement mills about 44 percent, and steel mills about 54 percent; and many of those still employed were working on shorter hours.

The President realized, and all of us realized, that the Federal Government could not hope to reemploy on public works the six and one-half million skilled workmen who had from 1922 to 1930 participated in the largest construction boom the country had ever known. The objective sought to be accomplished by the creation of the Public Works Administration was the building of projects that would not compete with the products of private industry, but would stimulate additional purchases, and thus further the employment of labor.

These Public Works Administration projects have called for more than \$2,000,000,000 worth of materials. Some of these have been basic; some have been finished products. The orders for these materials were placed in and filled from every State in the Union. It has been determined that for every 2 hours of employment given at the site of construction 5 hours have been generated in factories, industrial plants, mills manufacturing materials, and on transportation lines shipping the supplies to the site of construction. All of these men employed as a result of Public Works Administration contract awards have worked, not for the Government but for private enterprises, at prevailing wages and under working conditions common to American workmen. In other words, the purpose for which the Public Works Administration was created has been fulfilled. It has done its part in reducing unemployment and in reviving private industry.

At the same time and as a complementary effort to stimulate industry the National Industrial Recovery Administration was launched. Whatever may have been said about this venture, even its bitterest foes, if they are fair men who remember that tragic period, should admit the tremendous psychological lift which the creation of this organization gave to a nation still under the spell of consuming fear. At last something was being done to relieve the situation. There was a great upsurge of hope, which found expression in triumphal parades down every Main Street in the land. And after the parades were over there was a revival of buying, which stimulated employment in a widening circle from stores to factories. Though this organization was stricken down by a decision of the courts, this great upsurge of hope, this revival of buying, and stimulation of employment cannot be said to have been in vain. And it is possible that when the historians come to consider the National Recovery Administration they may give it a place among the more important acts of the Roosevelt administration, because it constituted our first effective national attempt to control child labor.

RELIEF FOR AGRICULTURE

While considering the most pressing problems confronting the Nation during those early months of his administration, the President and his coworkers did not forget the farmer, whose plight had become desperate. The loss of farm purchasing power was forcing thousands of farmers to default on short-term, high-rate mortgages, as well as on their long-term obligations. From various sections of the country had come reports of embattled farmers, usually the most law-abiding of citizens, banding together to use shotguns to stop foreclosures on their homes.

To meet this situation the Federal Government provided emergency resources which enabled the national farm-loan

associations and the Federal land banks to undertake a farm-debt refinancing program. In 3 years a total of more than \$3,000,000,000 was loaned by the land banks and the Land Bank Commissioner.

This farm-debt refinancing not only helped to arrest Nation-wide farm-mortgage foreclosures and leave the farmer on his land, without which he is totally at sea, but provided mortgage funds at interest rates and on terms of payment more in line with the farmer's ability to pay. As a result, the rate of farm foreclosures dropped from 38.8 per thousand farms in 1933 to 20.3 per thousand farms in 1936, and to 13.4 in 1939, which is the lowest rate on record. Furthermore, most of the farmers with Federal land bank and Commissioner loans have reduced substantially the principal of their indebtedness in the past few years, and in some instances have repaid their mortgages in full.

The mortgage-debt refinancing program was but one of three farm programs inaugurated in the early months of 1933. All those interested in the permanent solution of the agricultural problem realized that such a program as I have described would relieve the situation for only a brief span of years unless some measure of adjustment were made to reduce the disparity between the prices farmers were receiving for farm products and the prices that were being paid for goods purchased.

The Agricultural Adjustment Act of 1933 sought to aid, if not to accomplish, this adjustment. The immediate aim was to adjust production of those agricultural products for which foreign markets no longer existed. By limiting production of market demands, farm prices rose, and the national industrial recovery was hastened through increased farm purchases of factory products. To aid such adjustment, payments were made to farmers who cooperated in the curtailment of crops which were being overproduced from the standpoint of satisfactory markets.

Realizing, however, that farmers whose barns and granaries were already filled with surplus crops could not benefit immediately from such a program, and that market prices would still be affected by such surpluses, the third of the emergency farm programs was inaugurated. By Executive order, the Commodity Credit Corporation was formed. This agency, through loans to producers, finances the carrying and orderly marketing of such crops as wheat, cotton, corn, and tobacco. This temporary measure has enabled farmers to hold their crops until both consumer and industrial demands have created and stimulated profitable markets.

FURTHER AIDS TO BUSINESS

While setting up new machinery to function in fields where it had been entirely lacking, the President also acted promptly in taking advantage of machinery already in existence, and, by providing adequate funds and organization, increasing its scope and usefulness. This was true in the case of both the Reconstruction Finance Corporation and the Federal Home Loan Bank System, which were created in the latter days of the Hoover administration.

Beginning with an act of Congress, approved March 9, 1933, the powers of the Reconstruction Finance Corporation have been increased from time to time and the scope of its operations extended to provide necessary emergency financing facilities for financial institutions, to aid in financing agriculture, commerce, and industry, to purchase preferred stock, capital notes, or debentures of banks, trust companies, and insurance companies, and to make loans as prescribed by law.

AIDS TO HOME OWNERSHIP

In order to cope with the plight of urban home owners, who were losing their homes through foreclosure of mortgages at the rate of a thousand per day, the Home Owners' Loan Corporation was created June 13, 1933. This organization provided long-term, low-rate interest loans for the first time in the history of the home mortgage field. The refinancing opportunities it offered saved both home owners and mortgage holders. When the Home Owners' Loan Corporation terminated its loaning operations in 1936 it had made 1,017,827 loans in the amount of \$3,093,450,641. More than \$200,000,000 have been saved by home owners through

concessions obtained through the Home Owners' Loan Corporation from the holders of mortgages. In addition, these same home owners have saved approximately \$175,000,000 in interest charges as a result of the lower rate at which their obligations were refinanced. And, most important of all, their homes were saved, their hearthstones, and their fire-sides were preserved for them and their stake in our form of organized society was vouchsafed to them and to us.

The Federal Home Loan Bank Act, as amended by the Home Owners' Loan Act of 1933, and subsequent amendments, has continued in operation the Federal Home Loan Bank Board, an administrative and regulatory body whose duties are to establish and regulate the 12 Federal Home Loan banks, to charter and regulate Federal savings and loan associations, to administer the Home Owners' Loan Corporation, and to operate the Federal Savings and Loan Corporation.

These acts, to which I have just referred, constitute the answer of the Roosevelt administration to the demand for immediate action in the emergency which confronted the Nation on March 4, 1933. These were the acts of the man who, like Lincoln, was said to lack firmness and decision. And how long did it take to get these emergency measures, with their immediate, constructive, and long-range benefits into operation? It required less than 6 months.

On September 6, 1933, Oswald Garrison Villard, son of Henry Villard, who doubted Lincoln's firmness, wrote that "even the first 6 months of Wilson's war administration were not so momentous, so far as legislation is concerned as the first 6 months of President Roosevelt's tenure of office." Villard commended the President for "his unbounded courage and self-confidence" which have "helped to ease the national stress and to change American mentality." But Villard, like various other commentators, was still haunted by doubts and fears. He concluded with the warning that the President's severest tests were yet before him. Even with this fine record, it appeared that Roosevelt had not yet proved himself. Let us see, therefore, how he met the tests which were to come.

BROADER MEASURES FOR THE FUTURE

He had kept his pledge to provide immediate relief for the needy, had set up instruments to save homes, farms, banks, businesses, large and small, to stimulate employment and production, and to speed recovery. While attending to the emergency needs of the Nation he was concentrating on laying the firm foundation for a sound and lasting recovery. But he and his advisers and coworkers were looking even beyond immediate recovery. He did not feel that it was enough to save a man from drowning and leave him on the bank, weak and exhausted, with a lively chance that tides beyond his control might again roll in and engulf him. He had in mind certain safeguards which needed to be established for the good of the whole people. He realized, as we all realize, that there were certain abuses which should be wiped out, and that the only agency which could bring about these needed reforms was the Federal Government.

And so we find him moving from that first emergency phase of his administration into a new phase with a double and determined purpose, namely, not only to bring about recovery but to effect long-needed reforms. There were still, however, pressing matters which required attention, which related to emergency and were essential to recovery. First on the list in this category was a decision in relation to the gold standard.

GOLD-STANDARD LEGISLATION

In 1933 more than 30 foreign nations had abandoned the gold standard or taken other steps to reduce the foreign exchange value of their currencies. As foreign currencies declined in value the prices of American products rose in foreign markets. As a result our foreign trade was rapidly disappearing. The effects of this loss were being felt throughout the country and had contributed materially to prolonging the depression.

Our own currency was out of line with the new world level. We were faced with the alternative of adjusting our own

price level, by reducing the gold content of the dollar, or losing the remainder of our world trade. It would have been the height of folly, if not economic suicide, for us to have taken any course other than that which we took. So, in January 1934, we reduced the gold content of the dollar to 59.06, but the gold dollar is still the standard of value under the laws of the United States, not only within the United States but it has come to be the standard of value in almost all the markets of the world.

The wisdom of this step and its immediate benefits are demonstrated by the fact that in 1934 our exports of finished manufactured products increased 37 percent, and exports of semifinished products increased 47 percent, compared with 1932, before the change of the gold content of the dollar. In domestic trade the 59.06 dollar purchased practically as much as before. The soundness of our money has in no wise been affected; and the shouts of the alarmists that this step would lead to further devaluation and eventually inflation have, like so many other alarms, turned out to be entirely unfounded.

The adjustment of our currency to meet world conditions paved the way for the launching of the Federal trade-agreements program in June 1934. I shall refer later to these agreements and their effect in reviving our vanishing export trade and recovery generally, but I desire now to mention two of the major safeguards sponsored and accomplished by the Roosevelt administration during the first half of his first term.

CORPORATE SECURITIES AND THE STOCK MARKET

With the 1929 stock-market crash still ringing in the ears of the people, and with stricken investors left with volumes of worthless papers called securities, afraid to invest again even when they had the money for investment, it was deemed essential to establish an agency which would not only prevent a recurrence of this disaster, but would restore confidence to the people. For this purpose the Securities and Exchange Commission was established in June 1934. The authority and duties of the Commission have since been increased by the Public Utility Holding Company Act of 1935 and the Bankruptcy Act, as amended in 1938. The value of this Commission and the service which it has rendered are now generally admitted by those who most fiercely fought its creation at the beginning.

SOCIAL SECURITY

In the matter of safeguards sponsored by the President and by Congress, the one which undoubtedly provides the greatest good for the greatest number of our people is the Social Security Act of 1935. At his unrelenting insistence we have at last made provision for old-age insurance and unemployment compensation, in addition to which, under this act, the Federal Government now joins with the States in providing care for the aged, for dependent children, and for the blind. The United States is one of the last great nations to inaugurate such a program.

If the record of the Roosevelt administration had included no other acts beyond the two measures just cited, Franklin D. Roosevelt would be entitled to take his place among our greatest Presidents. But these are only two among a multiplied number of constructive and beneficial measures. These two, among many others, were accomplished before his first term had run little more than half its course.

During this same brief period the Federal Housing Administration had been created, to stimulate the construction of better housing facilities, as well as the construction industry and all its allied branches, by encouraging and helping to finance renovation and new home building through the insurance of loans and mortgages. In another important industrial field the Federal Communications Commission had been established to bring some order out of the chaotic conditions surrounding the various means of communication.

In the accomplishment of these tasks, Mr. Roosevelt and his administration had not been able to please everybody in the United States. Before the half-way point in his first term had been reached, on March 4, 1935, signs of recovery were to be seen on every hand. Within these 2 years the index of

business activity had risen from 60 to 87 percent of an estimated normal. But with signs of returning prosperity there came also criticism. Ironically, but perhaps inevitably, this criticism was led by some of the very men who had come to Roosevelt in the early days of March 1933 imploring him to rescue business even if it were necessary for the Government to take it over and operate it. They had received assistance when on the flat of their backs, but when business was improving and they thought they needed the doctor no longer, they demanded to be let alone, forgetful of those who still needed help; forgetful of the necessary reforms to avoid recurring disasters. Their position was that what had been done was all that was necessary for a quick recovery, and that the future might take care of itself. They were joined in their outcry by some of the newspapers. Here are two typical excerpts from editorials of that period:

The New York Herald Tribune of March 4, 1935, said:

The country cannot stand and, in our opinion, is resolved against any more hasty experiments or destructive reforms. It asks for an end to threats to business, to investors, to the taxpayer, to the dollar. * * * President Roosevelt captured the affection of his fellow citizens in the early months of his term. Can he now regain their confidence by displaying restraint, fairness, and good judgment in the real test that lies ahead?

The Detroit (Mich.) Free Press, of February 24, 1935, said:

The biggest single cause of apprehension, among informed and careful people with a knowledge of governmental and economic laws, at present is uncertainty about the leadership of the President. Not about his intention, but about his wisdom and capacity as a pilot.

Some of the headlines were:

Magic touch gone—Criticism piles high.

F. D. R.'s second year finds him slipping, after first triumphs of his office.

Let-down in morale of official Washington, with corresponding loss of popularity throughout Nation.

Crisis faces President at half-way mark.

Mr. Franklyn Waltman, Jr., who is now busy trying to revive confidence in a certain national political party which shall be nameless, wrote in the Washington Post on March 3, 1935:

Completing his second year in the White House today, President Roosevelt is confronted with the task of getting the New Deal off a dead center and reviving the confidence of the country in it and him.

Further on in the article Mr. Waltman magnanimously admits that:

Mr. Roosevelt * * * can take comfort in much that he has achieved—stabilization of the banking structure; an increase in farm income; a higher price level generally; improvement of working conditions in many industries; industrial production which approximates 90 percent of the 1923–25 average; increased wages on the whole for those working and, in comparative proportion, an even greater increase in corporation profits.

Once again we quote Mr. Oswald Garrison Villard in an article in which he appraised the President under the heading "Roosevelt in midchannel." This comment occurred on March 2, 1935:

So there the President is: A gallant, fine-spirited, philanthropically minded gentleman, eager to do what is right, achieving much that is good, and, it is to be hoped, lasting, but still slipping steadily.

AIDS TO YOUTH

All of these threats, warnings, and dire predictions failed to deter the President in his determination to consummate a program which he believed beneficial to the country as a whole. Within a month after these criticisms were published the Emergency Relief Appropriation Act of 1935 was approved, providing relief and work relief, and increasing employment throughout the country by providing for useful projects. Two months later, by Executive order, the President created the National Youth Administration to assist students in continuing their education, to provide work for needy unemployed young people, and to establish a program of guidance and placement to assist young people in finding regular employment. In July 1935 the Wagner Labor Relations Act was enacted and the National Labor Relations

Board was created, guaranteeing to all employees the right to full freedom in self-organization and in the designation of representatives of their own choosing for the purpose of collective bargaining.

LEGISLATION FOR LABOR

It is probable that Roosevelt's continued demand for the consideration of the rights of labor has brought upon him more violent criticism than any of his other policies. In this great program, however, the President has been a pioneer and has not only been compelled, but has been willing, to take the consequences. That he did not receive as complete cooperation as might have been desired from the groups whose rights he championed is regrettable. But it should not be forgotten by us, and will not be overlooked by later students of this period, that labor has gone through a particularly difficult phase of its development.

In one sense of the word, and in the light of history, this period may be properly compared to the reconstruction era following the Civil War, when the righting of old wrongs through emancipation led to a period of turmoil before the ultimate adjustment was accomplished under our American way of life. That a satisfactory and beneficial adjustment of these situations will be effected, I have the utmost confidence.

In the meantime, the machinery for orderly collective bargaining has been established, and as time moves on this machinery will undoubtedly be perfected so as to function more adequately and effectively. In addition to the National Labor Relations Board, safeguards for labor have been provided in the Wage and Hour Division of the Labor Department under the Fair Labor Standards Act of 1938; in the Social Security Administration; in the Maritime Labor Board; and in the Railroad Retirement Board, as well as the Board of Mediation and Conciliation, in the adjustment of controversies upon our great transportation systems.

As President Roosevelt continued to advance this program along the paths which seemed to be best, and as the 1936 election drew closer, the chant of criticism—led by some of those who had been unable to remove their yachts from drydocks and reopen their country homes—rose to a veritable roar. If Roosevelt were reelected, we were solemnly assured that our constitutional system would collapse and all that we had gained in a century and a half of national history would be lost. But the great masses of American people had not been blind nor deaf nor dumb. They knew what was going on in this country and in the world. From the taxi driver and the ditch digger to the most powerful industrialist and professional adviser, the people had begun to realize a new relationship between them and their Government. For them the President had met all the tenets which had disturbed the soothsayers, as they proved in unmistakable fashion on the third day of November 1936.

What happened? What is the truth about the so-called Roosevelt ruin, with stories of which we were regaled? I quote from a few newspaper clippings which appeared in various newspapers shortly after the election in 1936.

The first is from the Baltimore Sun which, though traditionally Democratic, had refused to support Mr. Roosevelt for reelection. The date is November 8, 1936, and the headline reads:

Roosevelt sweep unleashes buying; clearing of political uncertainties starts dividend flood; approval of policies at polls boosts commodities and Government bonds.

The Philadelphia Record of the same date carried the following statement issued by the brokerage firm of Weingarten & Co., New York:

A broad uptrend in the market has developed since the Presidential election of Tuesday last. Looked at calmly, this is not surprising. For the reelection of President Roosevelt means that no readjustment is to occur and that his policies, which brought about business recovery, are not to be interrupted. As a matter of fact, the market's strength is best explained by pondering what would have occurred if the Republicans had triumphed on Tuesday.

And the New York Evening Post of November 7, 1936, ran a Washington dispatch under the somewhat surprising headline:

Chamber of commerce shakes off New Deal bogey, admits progress; bitter foe of Roosevelt policies discovers that business is better and the outlook bright.

So it transpired that after all this country had not been ruined and Roosevelt moved into his second term. But his critics, though overwhelmingly defeated at the polls, did not give up the fight. Their fangs were still poisonous and active. The subsequent months proved to be among the most trying of his administration since they included the business recession of the summer of 1937.

This recession resulted primarily from an effort on the part of the President to test the soundness of the claim being made by certain elements of the business community that a sharp reduction in Government expenditures for relief would stimulate private industry and business. We know now that this theory was exploded by the results.

It is but fair to give the President credit for the fact that, although this business recession came much more swiftly than the major depression of the early 1930's, his foresight in recommending and the foresight of Congress in setting up the Federal Deposit Insurance Corporation prevented a repetition of the epidemic of bank failures and the inevitable panic which would have followed 1937 as it followed 1929.

AMERICAN SOLIDARITY

Notwithstanding the recession of 1937, which has long since given way to a renewed recovery, President Roosevelt went steadily on in the pursuit of his program.

With world conditions growing progressively ominous, with all Europe forming into a series of armed camps, and with the fear of daily clash in conflict constantly increasing, he turned his attention to strengthening the bonds of peace of the Western Hemisphere. Immediately after the 1936 election he journeyed to Buenos Aires to emphasize by his presence the importance of the Pan American Peace Conference which he had sponsored. His efforts to establish and maintain a true "good neighbor" policy with the Latin American Republics constitute a major accomplishment in his career. The truth of this statement, in a material as well as a spiritual sense, is being demonstrated with the opening of new Latin-American markets as our European markets are lost to us and in the cooperation for the preservation of western democracy among all the republics of the western world.

While the President has always, as was his duty, shown an intense interest in our foreign policy, during these first months of his administration he found pressing matters confronting us at home. And, to use his own expression, he turned his attention to "first things first." In Oswald Garrison Villard's appraisal of September 6, 1933, he complains that Roosevelt's record in the matter of foreign relations was "bad, almost disastrous." But as international crisis after crisis has arisen, the President and those who have advised with him have proved themselves abundantly able to cope with them. Evidence of the satisfaction of the American people with the administration's foreign policy was shown in the Gallup poll of October 26, 1939, and has been more emphatically demonstrated since that date.

Interviews with a cross section of voters in every State in the Union found 64.9 percent of the people approving of President Roosevelt and his policies, which was a rise of 8 points in the period since the outbreak of the war in Europe. This brought the President's popularity and the popularity of his policies to a peak even higher than that which existed when he was reelected President in 1936, with 62.5 percent of the major party vote. In his accompanying analysis, Dr. George Gallup states:

The President's largest gains in popularity have come in those groups of voters who were least favorable to him before the war broke out in Europe. Thus the survey finds an 11-point increase in his popularity since August among the upper income group, and a nearly comparable rise among voters of 50 years of age and over, who were previously Republican in their leanings. The chief reason for this increase appears to be the popularity of the President's foreign policy. Institute polls on various phases of the

President's program, including revision of the Neutrality Act, shows majorities in favor of his course and indicate substantial agreement over foreign policy among Democrats and Republicans.

During the latter part of 1939, and before the beginning of the European war, the President had recommended a change in our neutrality laws. For reasons which I need not here discuss, Congress failed to take any action until the war had swooped down upon the nations of Europe and the President had called Congress into extraordinary session to carry out his original recommendations. At this extraordinary session, Congress repealed the Embargo Act and wrote a new chapter in the history of American neutrality, which was designed in a spirit of justice to the belligerents, but primarily to avoid the incidents and causes which might drag us into another European war. Notwithstanding the bitterness and acrimony with which this legislation was enacted, the American people have almost universally come to the conviction that it was a wise policy, and it has their unquestioned approval. While, under this law, we endure the greatest sacrifices ever before made by a great nation to avoid war, we are satisfied the American people are prepared to accept these sacrifices and to preserve the peace of this Republic.

Before leaving the subject of our foreign policy, to advance to the final phase of the 7-year Roosevelt record, I desire to return to a very practical phase of our foreign policy, which is involved in our reciprocal-trade agreements. The Trade Agreements Act of June 12, 1934, and its effect upon our commerce was discussed by Roger W. Babson, economist, in an article which appeared on February 12, 1940. The headline under which this article appeared read as follows:

Babson declares trade pacts the bright spot of the New Deal; threatened G. O. P. attack on agreements called poor strategy; cites 60-percent increase in United States exports to favored nations.

In the body of the article Mr. Babson goes on to state—

When the New Deal first stumped for this policy, world trade had dried up to a mere trickle. Commerce among nations had shrunk to 35 percent of the 1929 level. * * * Most able economists agreed that the choking off of foreign commerce was a prime cause of joblessness, hunger, and suffering in all nations. The importance of world trade has never been fully realized by most people. Foreign commerce is the keystone of world prosperity and peace. Our overseas markets in good times absorbed only 10 percent of our total output; but that 10 percent was a vital 10 percent. Half of our cotton crop, for instance, was sold abroad.

Over 20 reciprocal-trade agreements have been negotiated since 1934. Secretary Hull and his experts have done a painstakingly conscientious job. * * * For every concession they have made to foreign nations they have wrung from them an equally good one for Uncle Sam. Moreover, due to the so-called most-favored-nation rule, these pacts have lowered tariffs, helped business, given jobs all over the world. The reciprocal-trade program has been a truly bright spot of the New Deal * * * has increased our exports to countries with whom we have completed agreements by 60 percent, while our exports to those countries with which we have not bargained have expanded less than 40 percent. Moreover, our imports from treaty nations have not increased any faster than with nontreaty nations. This, in a nutshell, tells the effectiveness of the program, its aid to jobs and business. * * * The Republican heavy artillery is laying down the battle's opening barrage. What the outcome will be, no one knows. * * * As a statistician, I believe that the * * * trade pacts should be backed to the limit by every straight-thinking, unselfish, and honest American.

In addition to these matters which I have been able to mention only in outline for lack of time and space, the progress of aviation as a part of our transportation and economic system was greatly advanced by the creation of the Civil Aeronautics Authority in 1938; and the development and progress of our long-neglected merchant marine was materially improved and strengthened by the creation of the United States Maritime Commission in 1936.

I desire here to mention one more milestone in the Roosevelt record—a milestone and accomplishment which had been recommended by previous Presidents for a period of more than 40 years.

During his years in office, with the necessary tasks involved with governmental machinery, the President had become increasingly convinced that certain departmental reorganizations were highly desirable. He recommended these reorganizations to the Congress. Hence, under the Reorganization Act of 1939, he received authority to investigate all agencies of the Government and to determine such changes as

would be calculated to reduce expenditures, increase efficiency, and eliminate overlapping and duplication of effort in various departments, bureaus, and agencies of the Government.

Plans No. I and II, submitted by the President to Congress in the spring of 1939 and put into operation shortly thereafter, provided for the consolidation, under three new agencies, of the major Federal agencies dealing with public works, public assistance, and public loans. Further provisions placed the independent agricultural agencies under the Secretary of Agriculture. From an administrative standpoint a total of 27 independent agencies were consolidated under 10 agency heads. All 51 agencies, or divisions of agencies, were affected by these plans. Even in the short time which has elapsed since these changes were made it is evident on all sides that they represent practical and sensible changes too long delayed in the framework of our Federal bureaus and departments.

Here I desire to quote some comparative statistics to show the gains which have been made in these 7 years of Roosevelt's administrations in the economic, industrial, and financial set-up of the United States:

	Calendar year 1932	Calendar year 1939	Percent- age change
National income ¹	\$40,089,000,000	\$68,500,000,000	+71
Wages and salaries ¹	December 1932 \$2,403,000,000	December 1939 \$3,888,000,000	+62
Weekly pay rolls of factory workers ²	\$30,384,000	\$197,089,000	+145
Cash farm income ³	Calendar year 1932	Calendar year 1939	
From sale of products.....	\$4,682,000,000	\$7,712,000,000	
From benefit payments.....		\$807,000,000	
Total.....		\$8,519,000,000	+82
Interest received by individuals ⁴	\$5,277,000,000	\$4,828,000,000	-9
Dividends received by individuals ⁴	\$2,745,000,000	\$4,253,000,000	+65
Total nonagricultural employment ¹	December 1932 27,245,000	December 1939 34,940,000	+28
Exports ¹	\$1,611,000,000	\$3,179,000,000	+97
Federal Reserve Board index of produc- tion ⁵	64	105	+64

¹ Source: Department of Commerce.

² Source: Department of Labor.

³ Source: Department of Agriculture.

⁴ Board of Governors, Federal Reserve System.

⁵ This figure does not include the 2,727,000 persons who had work on Work Projects Administration, National Youth Administration, and Civilian Conservation Corps projects.

In discussing the Roosevelt record, involving the multiplicity of activities in which it has engaged for the welfare of the American people, it is inevitable that the question should have been raised concerning the cost of this program to the American people. Some of our people have been heard to say, "From an idealistic and objective standpoint, these things are all very well, but what about the bill which must ultimately be paid as a result of their accomplishment?" This is a legitimate question, and I shall undertake to answer it in a constructive manner.

It is quite true that Federal expenditures rose from approximately \$4,000,000,000 in 1933 to approximately \$9,000,000,000 in 1939. Recovery and relief expenditures account for 65 percent of this increase. The extraordinary expenditures of the Federal Government, which are directly attributable to the emergency, have raised the gross Federal debt by about \$21,000,000,000 during the past 7 years. In order to disburse this sum efficiently, it was necessary to create additional spending and lending agencies. The money used to set up these agencies appears on the books of the Treasury as a direct expenditure. Actually, such disbursements in many instances are repayable to the Treasury, and are not legitimate accounts of the net increase of the Treasury's indebtedness, which, in an appraisal of its financial conditions, not only considers property values but considers all that may be due to it by those to whom it has loaned or advanced money, as well as that which it owes to those who have accommodated it.

It should be remembered that the Federal Treasury possesses reserve funds which constitute real assets. These

assets, which are a legitimate offset to the total of American indebtedness from the Treasury standpoint, amounted to \$7,715,000,000 as of December 31, 1939. On that date there was a cash balance in the general fund of the Treasury of \$2,476,000,000; \$2,000,000,000 in the exchange-stabilization fund which represents the value of the gold accruing to the United States from the devaluation of the dollar, representing the proprietary interest of the Government in the corporations and credit agencies it has created. If we subtract these assets from the liabilities or gross debt of the Federal Government, which amounted to \$41,942,000,000 on December 31, 1939, we have a net debt of \$34,227,000,000.

It should be remembered further that one large item included in this debt was an expenditure not approved by the President, but authorized by the Congress of its own volition, for which most of us voted. While I neither apologize for nor regret this vote, it is fair to the President to say that as the result of this vote an amount is included in the net debt of the Treasury which should not be charged to him or to anything that he has done. This was the payment of the soldiers' bonus. It has been estimated that this payment, or, as it is called by some, this prepayment of the soldiers' bonus, has added thus far slightly more than \$2,000,000,000 to the net debt of the Federal Government since 1936. If this amount is subtracted from the net Federal debt, it leaves a balance of only \$11,290,000,000 as the amount added to the national debt by this administration.

But it may be pointed out by some of our critics that these figures do not include the contingent liabilities of the Federal Government; that is to say, the amounts borrowed by the Federal lending agencies from sources other than the United States Treasury, some of which have been guaranteed by acts of Congress and which constitute contingent liabilities against the Treasury both as to principal and interest in the event of losses incurred by these agencies. Such contingent liabilities amount to approximately \$5,702,000,000. The major agencies which have been permitted by law to increase the funds at their disposal for lending purposes by borrowing from the public are the Reconstruction Finance Corporation, the Federal Farm Mortgage Corporation, and the Home Owners' Loan Corporation. While these amounts constitute a contingent liability against the Treasury, not a dime of the money will ever be paid out by the Treasury unless a loss is incurred by the agencies which have made these loans under the authority of Congress.

Since March 4, 1933, these agencies had made loans totaling \$11,521,000,000. The total amount of such loans outstanding on the same date was \$4,467,000,000. This represents only 39 percent of the original outlay, the remainder having been already repaid by the respective borrowers. The loans and amounts outstanding of these respective agencies are as follows:

Agency	Loans	Amount out- standing
Reconstruction Finance Corporation.....	\$7,063,000,000	\$1,756,000,000
Federal Farm Mortgage Corporation.....	994,000,000	673,000,000
Home Owners' Loan Corporation.....	3,464,000,000	2,038,000,000
Total.....	11,521,000,000	4,467,000,000

In my judgment, all fair-minded men will admit that this is truly a remarkable record, particularly in view of the fact that these were distress loans, the majority of them made on long terms at low rates of interest, which need not have been repaid so promptly. These loans have been made in practically every county in the Nation. These loans were made necessary because the ordinary lending agencies, such as commercial banks, were not in a position to supply the capital needed for these activities. The need for these loans during the past 7 years is reflected in the total amount disbursed, and the soundness of the loans is likewise reflected in the high percentage of repayments which have been made in so short a time.

The loans of the Federal Farm Mortgage Corporation run for a period of 10 to 20 years, those of the Home Owners'

Loan Corporation for from 15 to 25 years, and those of the Reconstruction Finance Corporation for shorter periods of time, as the principal borrowers were organizations whose capital was only temporarily impaired. The effect of these loans on the national economy has been reflected in the increased national income, the increased stability of the banks, the decreased number of business failures, and the improved well-being and financial security of the individual property owner.

The satisfactory record of repayment to date leaves no justifiable reason for fear that the Treasury will ever be required to call upon Congress for additional funds with which to pay the final creditors. And on the credit side of the ledger it should not be overlooked that the method used to obtain money for these agencies has constituted a double benefit. It has both relieved the business and mortgage credit stringency and permitted individuals having money to invest to invest that money in Government-guaranteed bonds.

In this connection I desire to mention an item which is frequently overlooked, to wit, the interest rate paid on Federal bonds at this time compared with the interest rate paid before the advent of the Roosevelt administration. Although it is true that the gross national debt has shown a yearly increase since 1933—and, I might add, since 1930—the interest rate on which this debt has been carried has been substantially reduced. On March 31, 1933, the computed rate of interest upon the public debt was 3.426 percent. On December 31, 1939, the computed rate was 2.60 percent. The estimated savings in carrying charges experienced by the Government during this 6½-year period by virtue of this interest reduction amounted to \$1,654,527,000. The amount thus saved paid for 28.5 percent of all interest payments made during this period. In other words, without this interest-rate reduction the gross public debt today would be \$43,596,000,000 instead of \$41,942,000,000.

This plan of interest-rate reduction was an integral part of the Roosevelt monetary program.

Now, let us consider for a moment that \$11,290,000,000 net increase in the debt that is charged to extraordinary expenditures made by this administration. Since the bulk of it was appropriated in the form of emergency relief measures, there is a tendency on the part of the thoughtless or the willfully prejudiced to look upon it as money thrown down a sinkhole. Let us take a look at the record for a moment and ascertain what this money was expended for.

With the exception of the Federal emergency relief program, which distributed direct relief through the Governors of the States, and the distribution of surplus commodities through the Federal Surplus Commodities Corporation, the entire Federal relief program has been a work-relief program. These work programs, whether sponsored entirely with relief appropriations or with a combination of regular and relief appropriations, have had a common goal: To relieve unemployment distress and to energize the wheels of industry through the purchase of supplies and materials to be used on the work projects.

During the past 5 years Federal expenditures for work relief supplied by the yearly emergency relief appropriation acts have exceeded \$11,000,000,000. The sum about equals the net increase in the public debt during the entire 7-year period. The Work Projects Administration, which accounted for seven of the eleven billion dollar relief bill, has estimated that 34 percent of its money has gone into durable projects, such as public buildings, dams, highways, sewers, and waterworks. This sizable percentage is all the more remarkable when it is remembered that the Work Projects Administration alone, of all the work agencies, has been concerned primarily with providing employment for those able to work but unable to find places in private industry. Other agencies operating programs designed to stimulate industry have shown higher percentages of physical returns in comparison with total expenditures.

However, the fact remains that, whether created to relieve unemployment or to aid industry, which was another way of fostering employment, these agencies have made vast contributions to the durable wealth of the Nation.

It is quite true that in 7 years Federal expenditures on various types of public works have exceeded \$18,000,000,000. A break-down shows the expenditures in the following classifications:

Highways and streets.....	\$4, 173, 000, 000
Sewers, waterworks, and other public utilities....	1, 328, 000, 000
Educational buildings.....	921, 000, 000
Public buildings.....	951, 000, 000
Engineering structures.....	269, 000, 000
Conservation, flood control, reclamation, rivers and harbors, T. V. A.....	4, 308, 000, 000
Aviation facilities.....	145, 000, 000
Parks, playgrounds, gymnasiums, and other recreational facilities.....	972, 000, 000
Public housing.....	364, 000, 000
Rural electrification.....	124, 000, 000
National defense.....	4, 688, 000, 000
Total.....	18, 233, 000, 000

These figures do not include \$550,000,000 appropriated by the States to match Federal road funds and almost \$2,000,000,000 supplied by State and local bodies as their portion of the Public Works Administration program. Also excluded is an additional \$500,000,000 which is under loan contract with the United States Housing Authority, and \$3,050,000,000 worth of construction generated by the Federal Housing Authority.

Well, \$11,000,000,000 on work-relief projects and a total of \$18,000,000,000 on public works generally represents a lot of money. What did we get for our money?

Here are just a few of the things we got: 80,000 miles of new highways, 265,000 miles of city streets and country roads repaired; 9,600 new educational buildings; 770 new hospitals; 1,600 new courthouses; 1,500 new sewer systems; 2,400 new water systems; 282 new city electric systems; 3,400 new playgrounds and athletic fields; 380 new large bridges; 29,000 new small bridges; 4 T. V. A. dams; 220,000 miles of new rural electric lines; 1,200 new post offices, customhouses, and quarantine stations; 27,700 new low-rent dwelling units completed, and 58,000 units under construction; and the planting of 1,750,000,000 trees.

The expenditure of \$18,000,000,000 for such projects is estimated to account for one-third of all Federal expenditures during the past 7 years. In no other 7-year period in the history of our Nation has so high a percentage of Federal expenditures been utilized to construct such lasting National improvements.

It may well be that when the Roosevelt record is finally appraised it will be remembered best for the lasting benefits which were the fruits of its work-relief program, which seemed so costly to contemporaries. And in any appraisal, now or later, we should not lose sight of the fact that these improvements, so important in themselves, have served to increase materially property values throughout the country.

In bringing to a conclusion this résumé of the 7-year record of Franklin D. Roosevelt, I think it only fitting, in view of the dire predictions made in 1936 concerning what would happen to the country if "that man" were allowed to continue in office, to take stock of the state of the Nation at the end of 3 years of his second term.

Raymond Clapper, in a syndicated article appearing in the Scripps-Howard newspapers on December 20, 1939, said:

Western Republicans who have been out on pasture held a conference in Salt Lake City the other day and press reports of that meeting quote the keynote, Representative FRANK O. HORTON, of Wyoming, as calling the New Deal "a snake that has risen to strike down American initiative."

That has been said many times before, in less repulsive language, and it has been said so persistently and by such expert sayers that it is almost American folklore. Even men who are once more rolling in dividends are known to turn wearily from a hard day at endorsing dividend checks to curse this administration as the love-child of communism, sworn to end the American profits system.

Unfortunately, the figures spoil the picture. My bank sends out a weekly digest of business conditions prepared by the Wall Street Journal. It is something the Republican National Committee ought to suppress. These business statistics are messing up the horrendous metaphors of Republican keynoters like Representative HORTON.

From these figures, it looks as if considerable initiative is at work in the good old American way. Automobile output is 14 percent above the same week in 1938. Some salesmen must be out

looking for prospects and finding them. Barron's business index is 90 percent now, against 78 a year ago. Somebody must have gone after orders to push up the figures that much. Electric power output and freight-car loadings each rose 11 percent above the figures of a year ago. Somewhere behind these figures businessmen are getting orders. Cotton consumption, department-store sales, variety-store sales, rubber consumption, postal receipts, life-insurance investments, are all up. The British have placed a \$20,000,000 order for bombers with one American manufacturer, but leave that out. Steel production is more than 90 percent of capacity, as against 58 percent a year ago. Part of that is war business, but not all of it. The war does not account for the general rise all along the line.

Federal Reserve Board figures show that in November the industrial production index was 124, with the 1923-25 average as 100. Durable-goods manufactures were up to 130.

Discount the effect of the war, and still, somewhere in these figures must be represented an enormous amount of sales activity, scrambling for orders, fighting for business. Du Pont has just put its new silk substitute, Nylon, on the market, one of the most enormous examples of initiative in the present period.

If this administration has been trying to strike down American initiative, it has failed dismally. For after 7 years in office, it is confronted with more private initiative by far than existed when Herbert Hoover handed over the Government to the Roosevelt crew, which was almost none at all. If this administration had intended to finish off private initiative, that was the time to have done the job, for it was down on its knees and was taking the count. In fact, even some of our Republicans wondered if it could be saved and called for a dictator.

The New York Herald Tribune of January 2, 1940, carried a statement by Myron F. Converse, vice president of the National Association of Mutual Savings Banks, under the headline, "savings point to more sound business in United States; 15,000,000 bank clients with growing balances seen recovery factor."

And here are only a few of the many encouraging items to be found on the financial pages of your newspapers any day. These were taken from the Washington Post of February 15 and 16:

JANUARY BANNER MONTH FOR COTTON

Government reports disclosed yesterday that January was one of the best marketing months for American cotton in recent years. A total of 1,756,771 bales moved into export markets and into domestic consumption channels. * * * Exports amounted to 1,026,628 bales or the largest monthly total since November 1935, while domestic consumption totaled 730,143 bales, or the largest monthly total since March 1937, when 776,942 were consumed.

Dun & Bradstreet report a rise of 10.4 percent in January building permit valuations over December. This report was based on figures from 215 cities and, the agency pointed out, the improvement from December to January was against the seasonal trend.

The railroads of the Nation, faced with such a grave situation a few years ago, appear to be having their share of prosperity. Preliminary reports from 87 class I railroads showed a net in January of 12.4 percent over the same month of 1939, according to the Association of American Railroads. The New York Central reported a 1939 net of \$4,509,236, as against a deficit of \$20,154,357 in 1938, with the final month of 1939 being overwhelmingly the best. Paul G. Hoffman, president of the Studebaker Corporation, announced that their January sales were "the largest for that month since 1925 and were 80 percent larger than 1939." This covered the factory sales of both passenger cars and trucks. Domestic retail deliveries showed a gain of 91 percent over January 1939.

Heading a list of reports of the 1939 earnings of eight large corporations, each of which showed a substantial increase in net profits over the preceding year, we find General Foods Corporation with a net income for 1939 of \$15,118,063—the greatest in 8 years. The profit, equal to \$2.75 a common share, compares with \$13,577,075, or \$2.50 a share in 1938, according to the Associated Press dispatch.

Colby M. Chester, president of the board, is quoted as announcing:

Sales in every quarter during 1939 exceeded the volume of any similar quarter of previous years. Total case sales volume for the year was the largest in the history of the company.

If this be "Roosevelt ruin," let the President's critics make the most of it!

In further cumulative evidence of the decided improvement in our national economic situation, I might mention the fact that exports of American products to the markets of the

world in January 1940 amounted to \$368,550,000, compared with \$212,911,000 in January 1939, an increase of 75 percent. Imports during the same months in 1940 were \$241,961,000, compared to \$178,246,000 in January 1939. Exports over imports in January 1940 amounted to \$120,000,000. The net profits of Commonwealth & Southern Co. in 1938 were \$10,586,000, while for 1939 they were \$13,499,000.

The net profits of the Ohio Bell Telephone Co. in 1938 were \$9,968,000, while for 1939 they were \$10,764,000.

Mr. President, in 1938 the net profits of Brooklyn-Edison Co. were \$10,442,000, while for 1939 they were \$11,669,000.

In 1938 the net profits of the Eton Manufacturing Co. were \$2,568,000, while in 1939 they were \$2,707,000, the largest in the history of the company.

In 1938 the profits of the Anchor, Hocking Glass Corporation were \$752,000, while for 1939 they were \$1,445,000.

In 1938 the profits of the Ex-Cell-O Corporation were \$437,000, while in 1939 they were \$872,000.

In 1938 the profits of the Florence Stove Co. were \$876,000, while for 1939 they were \$1,233,000.

In 1938 the net profits of the "Fruit of the Loom," Inc., were \$25,000, and in 1939 they were \$142,000.

In 1938 the profits of the Standard Oil Co. of Kentucky were \$2,604,000, while in 1939 they were \$3,979,000.

In 1938 the net profits of the Veedor-Root, Inc., were \$553,000, while in 1939 they were \$900,000.

In the January quarter of 1938 the net profits of the West Virginia Pulp & Paper Co. were \$389,000, while in the same quarter of 1939 they were \$754,000.

In the January quarter of 1938 the profits of Servel Co. were \$278,000, while in the same quarter of 1939 they were \$354,000.

In 1938 the profits of Penick & Ford were \$1,139,000, while in 1939 they were \$1,456,000.

The total operating revenue of the Seaboard Railroad in January 1939 was \$530,000, while in January 1940 it was \$4,575,000.

In 1938 the net profits of the Mohawk Carpet Co. were \$1,580,000, while in 1939 they were \$1,798,000, constituting the best year since 1930.

In 1938 the net profits of the Industrial Rayon Corporation were \$184,000, as compared to \$262,000 in 1937, while their profits for 1939 increased to \$1,348,000.

On February 6, 1940, the General Motors Corporation ordered a distribution of \$34,501,000 to its stockholders.

Retail sales throughout the country for the first quarter of 1940 are estimated at 9 percent above the same period in 1939.

The sales of Woolworth Co. in January 1940 were 4.3 percent above the same period for 1939.

The Kroger Grocery Co. sales in January 1940 were 6 percent over the same period for 1939.

Sales in January 1940 of the Lerner Stores were 10½ percent over the same period for 1939.

Sales in January 1940 of the Newbury Co. were 7.2 percent over the same period for 1939.

The McCrory's Stores sales during this period in 1940 were 7.2 percent over 1939.

While in 1938 the American Woolen Co. had a deficiency of \$4,911,000, in 1939 it had a net profit of \$2,311,000.

In 1938 the Flint-Kote Co. had profits of \$811,000, while in 1939 their profits were \$1,432,000.

While in 1938 the New York Central Railroad had a deficit of \$20,154,357, in 1939 it had a profit of \$4,509,236.

In January 1939 class I railroads in the United States had a net operating income of \$32,947,172. In January 1940 their net operating income was \$45,566,633.

In 1938 the New York Telephone Co. had a net income of \$29,377,181, while in 1939 it had a net income of \$35,370,799.

In 1938 the United States Pipe & Foundry Co. had a net income of \$1,654,238 while in 1939 it had a net income of \$2,570,279.

In 1938 the Pennsylvania Railroad had a net income of \$11,046,100, while in 1939 its net income was \$32,032,525.

In 1938 the Abbott Laboratories had a net income of \$1,648,326, while in 1939 its net profit was \$2,048,094.

In 1938 the Lehigh Portland Cement Co. had net profits of \$704,000, while in 1939 its net profits were \$2,257,221.

In 1938 Stone & Webster, Inc., had a net profit of \$761,000, while in 1939 its net profits were \$1,024,000.

In 1938 Commonwealth-Edison Co. had a net income of \$19,701,000, while in 1939 its net income was \$25,414,000.

In 1938 the Calumet & Hecla Consolidated Copper Co. had net profits of \$2,442, while in 1939 its profits were \$779,000.

In 1938 the Simmons Co. had a net profit of \$1,644,867, while in 1939 its net profit was \$2,446,681.

In 1938 the profits of the Colgate-Palmolive-Peet Co. were \$4,921,921, while in 1939 they were \$6,632,654, the highest for any year during the past 8 years.

In January 1940 individual incomes in the United States amounted to \$6,051,000,000, which, although below the December individual income, was \$651,000,000 more than in January 1939.

The January 1940 farm incomes in the United States amounted to \$733,000,000, which is \$99,000,000 above farm incomes for January 1939.

In 1939 the net profits of all banks in the second Federal Reserve district were 16.1 percent of the total bank earnings in 1939, compared with 9.9 percent of the total earnings in 1938.

In 1932-34 residential construction in the United States amounted to practically nothing, but since 1934, and including 1939, it has increased to about \$500,000,000 per annum, and it is estimated, according to the same rate of increase, that for 1940 the figure will approach \$600,000,000.

These are but a few of the encouraging signs of Nationwide improvements in our industrial, financial, and economic structure as compared to previous years, and especially as compared with 1932 and 1933.

In 1932 the average price of American bonds of industrial corporations was 69.5 percent of normal, while in 1939 the average price was 81.6 percent of normal.

In 1932 the average price of common stock of American corporations was 48.6 percent of normal, while in 1937 the average price of the same stock was 111.8 percent, and in 1938, 89.2 percent.

These figures are only a small portion of the accumulating evidence of returning prosperity to the people of the United States and belie all the moanings and wailings and gnashings of teeth that are being indulged in now by those who are seeking some political advantage through the creation of disdain among the American people.

While the Department of Commerce has stated that the net income of all the American people for 1939 was \$68,500,000,000, the Alexander Hamilton Institute, on February 19, 1940, announced that our national income was \$71,704,000,000, compared with \$63,993,000,000 for 1938, and that, with the exception of 1937, when the national income was \$71,853,000,000, the 1939 figures were the largest since the year 1929; and this same Alexander Hamilton Institute predicted that our national income for 1940 would be larger than that in 1939.

In spite of these advances all along the line of industrial and economic development, our critics complain that we have not completely solved the unemployment problem and that there are still from seven to nine million unemployed workers in the United States.

It is a regrettable fact that in spite of all the efforts we have made there are still too many millions of our people on the unemployed rolls. But I have searched in vain among any of our critics, including Presidential candidates, whose common theme song is now the alleged failure of the New Deal, to offer any constructive suggestions that contribute to a solution of the unemployment problem.

I think it is fair to say that without regard to party affiliations, nobody as yet has the last word in the solution of this tragic and compelling situation. Seven years ago there were between thirteen and fifteen million unemployed workers in the United States. Today, it is said there are between seven and nine millions. In my opinion, there is no accurate information existing as to the precise number

of those who are able and willing to work who are yet unemployed. But, in considering this problem, it must be remembered that prior to 1933 there were undoubtedly hidden lists of names of those millions of men and women who were unemployed but whose existence was unknown from a national standpoint and who were not taken into account even in the earlier estimates, because their existence had not been recognized as a national problem, because their needs were administered to by local governments and charitable organizations.

In comparing the number of employed in the Nation today with the number in 1933, it must be remembered that in 1939 our total production of commodities equalled that of 1929. In other words, after 10 years of depression, the output of the American people in 1939 was as great as that of 1929, but it required 1,500,000 fewer men to produce this output in 1939 than were required in 1929; showing that during that decade the development of machinery had so advanced as to increase the output per man to such an extent as to require one and one-half million men less to produce the same amount of goods than were required at the beginning of the decade.

In addition to this, there were 5,000,000 more workers available in 1939 than there were in 1929. This is a net increase in the number of workers available, after deducting all those who had died or had ceased to be qualified for work in the same line of work as that previously engaged in. The reduction of one and one-half million men in the number of men required to do the same work and the addition of 5,000,000 qualified workers who had come on the scene since 1929 accounts for approximately 6,500,000 of the 9,000,000 who are said yet to be unemployed throughout the United States.

In other words, considering the 13,000,000 who were unemployed in 1933 and the 5,000,000 by which the number of available employees has increased since then, the practical result is that we have been compelled to deal with a margin of more than 18,000,000 men who were potentially unemployed throughout the past 7 years. And it cannot be denied that even taking these stupendous figures, we have reduced the total unemployed by 50 percent, while as now compared, the 9,000,000 men said to be unemployed, with the more than 13,000,000 unemployed in 1933, we have reduced the total by nearly three-fourths.

If it be true, that there are still 9,000,000 unemployed, then we are entitled to subtract from that number the six and one-half millions accounted for by the improvements in machinery and the natural increase in the number of available workers so that the net result is that only about two and one-half millions of unemployed workers are left as a net deficiency or failure in securing jobs for the people.

It may be said that if the population has increased enough to add 5,000,000 workers to the total list the consumptive power of the people should have increased so as to absorb this number of increased workers. But it must be remembered that we have had only 7 years to climb the hill from the depths of the depression as it existed in 1933. If it took 12 years of political and economic folly to throw 13,000,000 men out of work, we claim to have attained a miraculous success if we have been able to put three-fourths of them back to work in 7 years in addition to the absorption of those who have newly come upon the scene and those who have been displaced by mechanical improvements.

Neither I nor any other fair-minded man claim that we have completely solved the problem of unemployment, but if our industrial and social and economic system could improve over the next 4 years at the same rate at which it has improved during the last 7 years, unemployment would be almost completely eliminated in the United States.

But there are other equations that enter into the gains that we have made in these last 7 years. In making this appraisal we must distinguish between two kinds of results. Into one category fall those concrete, material things which enter into our daily lives and are readily recognizable by the senses, such as those which I have been discussing, and into the other category fall those things of mind and spirit

which penetrate our consciousness gradually, without our being aware of it, until it has become a part of our attitude and viewpoint with reference to the problems of human society.

Among the splendid accomplishments of the Roosevelt administration those which have been counted in the latter field are in my belief of even greater importance and more lasting in their effects than all the varied financial or economic improvements of a material nature that have been made in the condition of our country.

The evolution which has been wrought by the New Deal in our social and economic thinking has been a development which is bound to reflect itself in immeasurable good in all our domestic affairs, as well as our international relations, as long as our Government shall exist.

For nearly a century before 1933 the citizens of the Nation, partly by precept and partly by their own smugness, had come to regard the Government of the United States as something aloof and apart from their daily lives, a sort of abstract, remote agency which could have no concern over their personal affairs beyond the collection of taxes and the drawing of salaries by those who held public office. The people had become so accustomed to being told that they were rugged individuals, that it was a matter of the survival of the fittest, that when they lost their savings in bank failures, or were swindled by the peddlers of worthless stocks, or were oppressed by usurious rates of interest, or were thrown out of their jobs arbitrarily to suffer hunger and privation, that they accepted with resignation their condition as the common fate of mankind.

Whatever may be charged against it in point of failure, whatever may be said of it as representing too much governmental activity in behalf of the people, the Roosevelt administration has now convinced the American people that their grievances and the injustices which they have suffered and may suffer are matters over which the Government has a right to be concerned. The Roosevelt administration accepted the general-welfare clause of the Constitution as a solemn obligation, and it proceeded by swift and enlightened legislation to correct, as far as possible, the ills which bevelled our people. Not all of them, to be true, for it would be a miraculous performance for the Government to uproot all these evils and injustices in the short period of 7 years. But so indelibly stamped upon the minds and hearts of the people is the picture of these Herculean efforts put forth by the Government to aid them in the solution of their problems that no administration hereafter will be able to find an alibi in the doctrine of *laissez faire*.

I have perused the fulminations of those of an opposing political faith who would fain succeed Franklin Roosevelt as President of the United States. It is natural for them to seek to arouse their own partisans by condemning the record of the Roosevelt administration. I have read that part of the report of the committee of 200, headed by Dr. Glenn Frank, who have spent 2 years with every form of magnifying instruments to find knotholes in the Democratic fence. While some of these documents put forth by candidates and committees contain constructive suggestions, none of them recommend the repeal or substantial modification of a single major legislative act which has been passed under the Roosevelt administration. The most that they claim is that they need improvement, and that those who have had nothing to do with their fabrication are better qualified to improve them than are their sponsors. I take this as a genuine compliment to the administration of President Roosevelt, and it is also, in a sense, a compliment to the political judgment of those who want to come into office because they are out.

These are the facts of accomplishments. They are not idealizations or promises. And I reiterate that never in the history of civilization, from the Magna Carta, the Bill of Rights, or the Declaration of Independence of the United States and the signing of the Constitution, with its subsequent amendments, has there been a period in any existing government that has contributed more by legislative enactment and administrative activity than the Democratic administration of the past 7 years. Never has there been a

time when laws were made of greater benefit to the people at large, laws for the encouragement of youth, laws to permit the freer possession of land, ownership of homes, the protection of health, the preservation of the life of the aged and helpless and the underprivileged. I say that the past 7 years will go down in history as a great humanitarian contribution, when a great leader, endowed with the passionate and patriotic resolve to salvage a nation, pulled us out of despair and set us on the road to national rehabilitation, renewing our faith in the American way of life and our own spiritual resources.

This imperfect résumé of these outstanding 7 years may not satisfy the intellectual processes of those who see no good in any era that expands the participation of the people in the benefits of the government which they support. It may not satisfy the vision of those whose eyes can see nothing from any angle except the rear, but these 7 years in the minds and hearts of the American people are in the annals of our recorded history and take their place in that history as not only tragic and crucial years, but years which have marked an immeasurable advance in the relationship between a great people and a great government. These advances and accomplishments have not been made in derogation of our form of government or the ideals concerning it which are embedded in the hearts of our people, but these advances have been made and these accomplishments have been recorded in order that we might the better preserve our Government by preserving the respect and affection in which the people hold it.

Mr. President, I do not expect every Member of the Senate, nor everyone in the country to agree with my analysis of the last 7 years. It would not be prudent for our opponents, who are now on the verge of a contest to wrest from the Democratic Party the administration of the affairs of this country, to make any admissions that might handicap them in the approaching campaign. But I think it is fair to say, without regard to party affiliations, that no period of 7 years in American history has seen any man or any group of men try more earnestly or faithfully to understand the problems that beset the American people and try more faithfully and earnestly to solve those problems.

Not only have we done these things which have added to the material value of our economic life in every community, in the building of highways, streets and sidewalks, court-houses and schoolhouses and hospitals, of waterworks and sewer systems, and various other forms of expenditure that have given to every American citizen, without regard to politics, a pride in his Government; but we have demonstrated, Mr. President, as has never been demonstrated before, that the Government of the United States is not a far-off institution sitting on the crest of some Olympian mountain, where dwell the gods of political power, taking no heed of the ordinary affairs of mortal men. We have demonstrated that ours is the Government that was described by Lincoln: "Of the people, by the people, and for the people." We have demonstrated that it is not a Government organized and sustained merely for the purpose of levying taxes and holding office. We have demonstrated that it is a Government with a heart; that it can sit down by the fireside of the humblest man and woman in America and make its experience and its power and its intelligence available to these humble homes in the effort to solve their economic and social and political problems.

As a fair and honorable man, I do not claim that our political organization, our political administration, possesses all the virtue in the political, economic, moral, or intellectual life of this Nation. I recognize that there exists in our opponents here in the Senate and in millions of them scattered throughout the Nation, as earnest and as faithful a desire to aid the American people as we have a right to claim for ourselves. I have always maintained, and I now maintain, that beneath the political labels, beneath the superficial partisan feeling that we sometimes manifest in our discussion of the best way in which we may accomplish the common good to our country, we are all fundamentally and soundly American.

And I would lose faith in America and in American democracy if I did not believe that fundamentally we are all Americans first before we are partisans.

But I am equally convinced that when the impartial historian shall write the history of these 7 years he will say that never since the days of Lincoln has any man faced such tremendous problems, which might have bid fair to uproot and destroy the very foundations of our faith in democracy, and never has any man since Lincoln undertaken more unselfishly and more wisely to meet those problems and to master them.

Not only have we undertaken to increase the income of all branches of our people, to increase employment, and to increase the output of industry, but we have undertaken to add a moral and spiritual tone to our political institutions, without which no government anywhere in the world can long endure.

We look around in the world today, and we see everywhere chaos and contest; we see that the flags of battle have been unfurled; we see ruthless autocracy taking charge of the rights and liberties of the people; we see men, women, and children, regardless of their merits and their ancestry, and frequently because of their ancestry, and because of their religious beliefs, being murdered or driven from their homes, and all the things which they have held dear from generation to generation destroyed in their very faces.

We have seen the theory of democracy under attack on a broader field than at any time in the last 100 years. And yet here in America, and in the Western Hemisphere, we have drawn closer together, we have preserved the theory and the practices of democracy, we have preserved the peace of our Nation, though we have made some sacrifices in order to do it. We have preserved and protected the peace and the dignity of the western world. And when, after a while, all the nations shall awake to the fact that war brings no victory, no laurels to any man, any nation, or to any tribe, I pray Almighty God that our Nation, without regard to partisanship, race, or religion, may offer its services to a benighted and distressed mankind to bring again peace to the world and the universal enthronement of democracy.

We have not only tried to improve our material well being, but we have tried to do those things which appeal to the heart and the spirit of mankind. When the bitterness, narrowness, and prejudice of this era have passed away, and the impartial, cool-headed historian shall write the story of this period, he will accord Franklin D. Roosevelt one of the highest places in the history of American statesmanship.

Mrs. CARAWAY. Mr. President, the Senator from Kentucky [Mr. BARKLEY], the majority leader, has well outlined the achievements of the Democratic administration, but I wish to add the review as made by The Democratic Digest under the title of "Promise and Performance."

I ask that there may be incorporated in the RECORD an article from The Democratic Digest, published by the Women's Division of the Democratic National Committee, showing the actual performance of the administration of President Roosevelt as compared with the promises made in the platforms of 1932 and 1936.

There being no objection, the article was ordered to be printed in the RECORD as follows:

(Reprint from the Democratic Digest, published by the women's division of the Democratic National Committee)

PROMISE AND PERFORMANCE

Now opens another election year—1940. It is the year when Democrats must conserve and consolidate the great reforms of the past 8 years. Today, tomorrow, and in all the weeks and months until the November election, the energy and enthusiasm generated by the New Deal must be turned to the all-important work of assuring for the Democratic Party another 4 years of national administration in order that these social and economic gains may be permanent.

The Democratic Party proudly stands on the performance of the history-changing platform pledges it made in 1932, and to the continuing and more specific promises of 1936. These commitments have been abundantly fulfilled.

Two excerpts from the 1932 platform summarize the New Deal story: "The only hope for improving present conditions * * * lies in a drastic change in economic governmental policies" to

assure "equal rights to all, special privileges to none," and "We believe that a party platform is a covenant with the people to be faithfully kept." The 1936 platform carried forward those principles and declared for (1) protection of family and home, (2) establishment of democracy of opportunity, and (3) aid to those overtaken by disaster.

Facts citing how these principles have been carried out and how the Democratic Party has fulfilled its pledges to the people are set forth in the following platform check-ups:

PLATFORM CHECK-UP NO. 1

Protection of family and home

The party pledged itself, first, to the protection of the family and the home. Faithfully this promise has been carried out through such measures as the Social Security Act, the housing program, measures which safeguard family investments and protection against crime and exploitation.

1. Protection Against Underworld Crime and Upperworld Exploitation

(a) "We have begun, and shall continue, the successful drive to rid our land of kidnapers and bandits."

In 1933 the States were, in many instances, without facilities or power to reach interstate criminals, who roamed at large.

The Seventy-third Congress (1934) passed 22 laws as part of the Attorney General's program to aid law-enforcement authorities in the suppression of crime. Results: In 1939 alone 9,823 fugitives from justice were located through the facilities of the F. B. I.; since enactment of the Federal kidnaping law (June 1932), the F. B. I. has investigated 156 cases, of which 154 were solved; as a result of the National Motor Vehicle Theft Act, 51,991 stolen motor vehicles, valued at \$30,399,054, have been recovered through F. B. I. Bank robberies, which reached their peak in 1932, have declined over 80 percent.

(b) "We shall continue to use the powers of government to end the activities of the malefactors of great wealth, to defraud and exploit the people."

The New Deal moved in on monopoly. To ascertain the true state of affairs with regard to concentration of economic power and financial control over production and distribution of goods, the Temporary National Economic Committee (antimonopoly committee) held extended public hearings and also collected and collaborated facts assembled in various Federal departments. This study will make possible the passage of laws to meet the pressing problems of a changing economy. The S. E. C. curbed holding companies. The antitrust laws, which had lain fairly quiescent for years, were dusted off and put to work. Since 1932, 84 cases against unfair business practices have been instituted by the Federal Government.

2. Savings and Investment

"We have safeguarded the thrift of our citizens by restraining those who would gamble with other people's savings."

The S. E. C. protects the public by outlawing dishonest dealing, prohibiting the sale of fraudulent securities, giving the investor full information about issues and issuers. One billion dollars' worth of proposed issues were abandoned, the sale of \$150,000,000 worth of security prevented, thus saving citizens millions of dollars.

Between 1921 and 1933 bank failures averaged 900 a year, involving an annual average of more than \$400,000,000 of deposits. Depositors are now insured against loss by the Federal Deposit Insurance Corporation, which has eliminated such losses. In the same way, the Federal Savings and Loan Insurance Corporation insures investors in home-financing institutions. There are 2,350,000 insured investors in 2,188 member institutions.

3. Old Age and Social Security

"On the foundation of the Social Security Act, we are determined to erect a structure of economic security for all our people."

The year 1939, which brought the extension of social security through amendment and the governmental reorganization for a more concerted attack on all forms of insecurity, marked a milestone as important as the 1935 passage of the Social Security Act, most comprehensive program for social welfare ever undertaken through direct legislation. Some 45,000,000 workers have applied for old-age insurance accounts; more than twenty-seven and one-half million wage earners are covered by job-insurance laws operating in every State; about two and one-half million of the needy—the old, the blind, the dependent children—are getting cash allowances from Federal-State assistance funds. Aid has been provided for crippled and dependent children, and public-health programs have been fostered.

4. Consumer

"We will act to secure to the consumer fair value, honest sales, and a decreased spread between the price he pays and the price the producer receives."

More honest sales have been assured by the Federal Food, Drug, and Cosmetic Act of 1938, which also protects the life and health of the Nation by drastic restriction on sale of adulterated, misbranded, and dangerous foods, drugs, and cosmetics. Vital protection to the milk and meat consumer is afforded by the emergency animal-disease eradication program of the Jones-Connally Act, which has wiped out bovine tuberculosis. False advertising and bad business practices were curbed by amendments to the Federal Trade Commission Act. The Consumers' Council Division, A. A. A., gives information on economic buying of farm commodi-

ties, reports on developments of the consumer cooperative movement; publishes the helpful "Consumers' Guide."

5. Rural Electrification

"We will continue to promote plans for rural electrification and for cheap power by means of the yardstick method."

Before the Rural Electrification Administration was established in May 1935 only 1 farm home in 10 had electricity. Now 1 farm home in 5 benefits by it. R. E. A. projects are bringing new conveniences and lightening the drudgery of farm work for 1,500,000 people on 300,000 farms.

Lower rates and greater use of electricity, in both private and public utilities, have been brought about by the operation of the Tennessee Valley Authority, New Deal yardstick which proved beyond doubt that this universal servant could be put to better use, and brought to all the people.

The T. V. A. average retail rate was 1.99 per kilowatt hour through 1938, when the rest of the country averaged paying 4.40 per kilowatt-hour. The T. V. A. customer consumption was 58 percent above the average for the Nation. Rates were lowered the country over. The 1934 urban price for 100 kilowatt hours was \$4.65; the 1939 price \$3.96.

6. Housing

"We maintain that our people are entitled to decent, adequate housing at a price which they can afford. We believe every encouragement should be given to the building of new homes by private enterprise; and that the Government should steadily extend housing programs toward the goal of adequate housing for those forced, through economic necessities, to live in unhealthy and slum conditions."

A Nation-wide program of home building and modernization has been accomplished through three New Deal agencies, the Federal Housing Administration, which is concerned with adequate housing for every pocketbook; the United States Housing Authority, providing homes instead of slums; and the Farm Security Administration, through which farm tenants become home owners.

By stimulating private enterprise in the construction industry, F. H. A. has created the equal of 1 year's work for more than 2,000,000 men. More than 2,000,000 people are living in houses built or financed under the F. H. A.'s home-ownership program. Almost 100,000 more are living in large-scale housing projects which private companies have built for rent under F. H. A. The U. S. H. A. has financed 121,000 modern, low-rent dwellings now complete or to be completed by the late spring of 1940. An equal amount of slum dwellings will be cleared; 640,000 persons will have moved from substandard living quarters to these new homes. The F. S. A. has made possible the building of more than 12,000 houses by former renters who now are purchasing farms through F. S. A. Average cost of these homes is but \$1,313.

7. Veterans

"We shall continue just treatment to our war veterans and their dependents."

The greatest benefit given veterans by the Federal Government is that of hospitalization in up-to-date, scientific hospitals. Hospitalization has gone forward not only in the number of facilities and available beds, but also by the introduction of new diagnostic and treatment methods and the training of medical personnel. Since 1933, facilities have increased from 71 to 84; hospital and domiciliary beds from 60,707 to 72,090. Present plans will mean 100,000 beds within the next 10 years.

The policy of consolidating field activities, for economy and effectiveness, has been consistently followed where possible without impairing service to the veterans. Since March 1933, 21 consolidations have been effected.

Continuous study has been given to the subject of monetary benefits payable to veterans and their dependents in the form of pension or compensation. Far-reaching changes have been made in the laws and regulations governing the granting of such benefits, the principal objective being to provide the greatest relief to those veterans who were disabled as a result of active services in the armed forces in time of war, and to their dependents to eliminate inequalities.

PLATFORM CHECK-UP NO. 2

A democracy of opportunity

Second major objective was the establishment of a democracy of opportunity through specific measures to aid agriculture, labor, and business. Also important to democracy of opportunity were measures to overcome the handicaps of youth resulting from the depression. To get at fundamental causes of economic inequalities, the Democratic Party promised to deal with monopoly and concentration of economic power.

1. Agriculture

(a) "We have taken farmers off the road to ruin. We have kept our pledge to agriculture to use all available means to raise farm income."

In 1932, the farm cash income was \$4,682,000,000. In 1939, farm cash income was approximately \$8,300,000,000. The actual purchasing power of the 1938 farm income was 95 percent of its 1929 level.

(b) "The farmer is no longer suffering from 15-cent corn, 3-cent hogs, 2½-cent beef at the farm, 5-cent wool, 30-cent wheat, 5-cent cotton, and 3-cent sugar."

As of late 1939, the low depression prices thus quoted in the 1936 platform had been raised to the following figures: 50.3-cent

corn, 5-cent hogs, 7-cent beef, 27½-cent wool, 82.4-cent wheat, and 9.7-cent cotton. In 1939, sugar beet growers received an income of \$6.52 per ton, compared with \$5.26 in 1932. Cane growers received an average of \$3.93 per ton in 1939, compared with \$3.06 in 1932.

(c) "By Federal legislation we have reduced the farmer's indebtedness."

Farm mortgage indebtedness on January 1, 1939, was \$7,070,-986,000, the lowest since 1918. The number of forced sales resulting from foreclosures declined 68 percent from March 1933 to 1939, and farm bankruptcies declined 70 percent in the same period.

(d) "In cooperation with the States and through the farmers' own committees, we are restoring the fertility of the land and checking the erosion of its soil. We will continue to improve the soil conservation and domestic allotment program with payments to farmers."

The Agricultural Adjustment Act of 1938 provides for soil-conservation payments and price-adjustment payments to farmers. It provides for commodity loans on wheat, corn, cotton, tobacco, and rice. The scope of this program is shown by the fact that in 1939 nearly 6,000,000 farmers were participating in the agricultural conservation program. Eighty percent of the total crop land was covered by applications for Government payments.

(e) "We are bringing electricity and good roads to the farm home."

Before the start of the Rural Electrification Administration, only 10 percent of American farm homes had electricity; now 25 percent have. There are R. E. A. projects in 45 of the 48 States, embracing 250,000 miles of rural lines to serve more than 600,000 farm families. The W. P. A. alone has built or improved 325,000 miles of rural roads since July 1935.

(f) "We recognize the gravity of the evils of farm tenancy and we pledge the full cooperation of the Government in the refinancing of farm indebtedness at the lowest possible rates of interest and over a long term of years."

Since October 1, 1935, the Farm Credit Administration has enabled between eighty and ninety thousand farmers to buy their own farms with assistance of mortgage loans extended by institutions under supervision of the Farm Credit Administration and other Government credit. Under the Farm Tenancy Act, 6,180 tenants have been granted long-time loans with which to purchase farms, under appropriations totaling \$35,000,000. An additional appropriation of \$40,000,000 has been made for this year which will enable 7,000 more tenant farmers to become owners.

(g) "We favor the production of all the market will absorb, both at home and abroad, plus a reserve supply sufficient to insure fair prices to consumers."

The ever-normal-granary program provides for acreage allotments that normally will produce all the domestic market will absorb, plus all the export market will take, plus 30 percent for a reserve supply, thus insuring consumers an abundance in years of scarcity. It provides for adjusting production to demand and encourages sound, practical, farm cooperatives.

2. Labor

(a) "We have increased the worker's pay and shortened his hours."

This was written into law by the Fair Labor Standards Act of 1938, which set a 6-year period in which to achieve a 40-hour maximum week and a minimum wage of 40 cents an hour. Some 900,000 workers have had pay-rate increases since the law went into effect.

(b) "We have undertaken to put an end to the sweat of labor of the worker's wife and children."

The Fair Labor Standards Act banned child labor from industries operating in interstate commerce and took first steps toward elimination of industrial homework.

(c) "We have written into the law of the land his right to collective bargaining and self-organization free from the interference of employers; we have provided Federal machinery for the peaceful settlement of labor disputes."

The National Labor Relations Act protects the worker's right to organize, to bargain collectively, and other civil liberties. From October 1935 to March 1938 the Board which administers this act handled 12,485 cases involving 3,247,678 workers. Out of 9,150 cases closed, 5,081 (55 percent) were closed by agreement of both parties; 1,444 cases involved strikes, 77 percent of which the Board settled, averting 519 strikes.

(d) "We will continue to protect the worker and we will guard his rights."

Weekly factory pay rolls rose from \$72,697,000 in March 1933 to \$164,089,000 by June 1939, a gain of \$91,392,000, and total non-agricultural private employment in the same period rose from 26,100,000 to 33,500,000, a gain of 7,400,000. Non-farm residential building which stimulates employment in many other lines amounted to \$1,700,000,000 last year, an advance of \$1,500,000,000 over 1933.

3. Business

(a) "We have taken the American businessman out of the red." President Roosevelt, in his 1940 Budget message, said: "As the Budget is being prepared we are achieving the highest levels of production and consumption in our history." In the 4 years following 1933, the national income rose 69 percent, from forty-two billions to seventy-two billions, the largest absolute rise for any similar period in our history. The recession decline of 1937-38 was

a temporary set-back in the upward trend. The estimated national income for 1939 was sixty-eight and one-half billion dollars.

From 1932 to 1939 industrial production had increased 64 percent; employment 22 percent; retail trade 49 percent, from \$25,597,000,000 to an estimated \$38,072,000,000; wholesale trade 56 percent, from \$13,274,000,000 to an estimated \$20,700,000,000.

(b) "We have saved the banks and given them a sounder foundation."

Through the insurance of deposits by the Federal Deposit Insurance Corporation and the revision of the national banking laws, administered by the Comptroller of the Currency, we have immeasurably increased the stability of the Nation's banking system, completely restoring the confidence of depositors. Of the 15,131 banks in the country on June 30, 1939, a total of 13,620 were insured by the F. D. I. C. In the 3 years previous to the establishment of the F. D. I. C. in 1934, 8,725 banks were suspended. In the period from 1934 to June 30, 1939, only 303 insured banks have been closed. Of the total deposits in these banks, 97.1 were made available promptly without loss to depositors. Of the 840,277 depositors, only 1,528, or less than one-quarter of 1 percent, held accounts in excess of \$5,000, which were not fully protected.

(c) "We have extended credit; we have lowered interest rates." The R. F. C. has authorized loans to date totaling more than \$13,669,514,319, the Commodity Credit Corporation \$1,292,312,753, and the H. O. L. C. \$3,930,000,000. The F. H. A. has insured loans totaling \$2,045,600,000. In all Federal-guaranteed financing, loans are on a long-term, low-interest basis.

(d) "We have undertaken to free the businessman from the ravages of cutthroat competition."

The Federal Trade Commission was given new powers by Congress in 1938 to enforce orders against practices which damage trade competitors.

4. Youth

"We have aided youth to stay in school; given them constructive occupation; opened the door to opportunity which 12 years of Republican neglect had closed."

Under the N. Y. A. student-work program, 500,000 needy students are working in approximately 26,500 schools and 1,697 colleges. The out-of-school work program of N. Y. A. employs 286,000 young people on public-work projects. N. Y. A. also conducts a guidance and placement program to assist young people in obtaining suitable jobs in private employment.

Each year the Civilian Conservation Corps is offering an opportunity for security, work training, and gainful employment to about 325,000 idle young men. An aggregate of some 2,505,000 had been given employment in C. C. C. camps from April 1933 to November 1939.

5. Monopoly

"We pledge vigorously and fearlessly to enforce the criminal and civil provisions of the existing antitrust laws."

This pledge is not only being carried out by increased activities in the Antitrust Division of the Department of Justice but a sweeping monopoly investigation has also been launched and is now being carried forward through the Temporary National Economic Committee. Since 1932, 84 cases against unfair business practices have been instituted by the Federal Government.

PLATFORM CHECK-UP NO. 3 Basic Democratic principles

The third outstanding Democratic pledge—aid to those overtaken by disaster—has also been fulfilled in accordance with the other fundamental Democratic principles incorporated in the 1936 Democratic platform.

1. Aid to Those Overtaken by Disaster

(a) "We have aided and will continue to aid those who have been visited by widespread drought and floods."

Under the New Deal, the Government assumed responsibility for alleviating the intense human suffering which followed in the wake of widespread floods, droughts, and dust storms. This relief included food, clothing and shelter to the sufferers, provision of relief jobs through the Work Projects Administration where such calamities had thrown hundreds out of work, and a continuing rehabilitation program through the Farm Security Administration. Disasters thus handled since 1933 include the California flood, the Ohio River Basin flood, Connecticut River Valley flood, the New England hurricane disaster, the Florida hurricane, the Georgia cyclone, and the Dust Bowl drought, for which rehabilitation has been continuous since 1933. Individual loans from the Disaster Loan Corporation totaled \$17,000,000.

(b) "We have adopted a Nation-wide flood-control policy."

Under this administration, the National Resources Board has carried on a continuous basic study of flood control and drought prevention for the country as a whole. Great projects chiefly for drought prevention include Boulder Dam, Grand Coulee Dam, Fort Peck Dam, and Bonneville Dam. Projects primarily for flood control include the 10-dam system of the Tennessee Valley Authority, the Marshal Ford Dam, and the great flood-control works constructed by Army engineers. W. P. A. expenditures for conservation and flood control, reforestation, and land utilization have totaled more than \$1,000,000,000. P. W. A. allotted \$160,000,000 for non-Federal flood control, water power, and reclamation projects. The Omnibus Flood Control Act of 1936 for the first time covered the improvement of large streams with Federal and local governments sharing costs, authorizing some 270 flood-control projects with an estimated cost of about \$300,000,000 in 31 States.

(c) "We believe that unemployment is a national problem and that it is the inescapable obligation of our Government to meet it in a national way. * * * We shall continue to maintain that the first objective of a program of economic security is maximum employment in private industry at adequate wages. * * *"

Here is the record of what the New Deal has done in increasing employment and earnings from March 1933 to December 1939: Total nonagricultural employment rose from 26,086,000 to 34,940,000. Income from wages and salaries rose from \$2,217,000,000 to \$3,883,000,000. Weekly factory pay rolls rose from \$72,697,000 to \$197,059,000.

(d) "Where business fails to supply such employment we believe that work at prevailing wages should be provided in cooperation with State and local governments on useful public projects."

During the past 6½ years, the Public Works Administration has allotted funds for the construction of 34,463 projects, costing \$5,981,653,077, which have meant employment to skilled, semiskilled, and unskilled labor in practically every branch of American industry.

Since the beginning of the W. P. A. program in the late summer of 1935, almost 7,500,000 different persons have been employed at one time or another on W. P. A. projects alone. The work program of the National Youth Administration has given part-time employment to approximately 767,000 youths. An average of 272,000 young men who would otherwise be idle have been employed by the Civilian Conservation Corps.

The New Deal has taken two outstanding steps toward genuine job security: (1) Providing a Nation-wide employment service which placed more than 28,000,000 men and women in jobs; (2) creation of a Nation-wide unemployment insurance system through the Social Security Act, under which in 1938 and 1939 approximately 8,800,000 persons received benefit payments of approximately \$825,233,000.

2. Federal-State Cooperation

"Transactions and activities which inevitably overflow State boundaries call for both State and Federal treatment. We have sought and will continue to seek to meet these problems through legislation within the Constitution."

Illustrative of this principle is the whole sweep of New Deal legislation to regulate interstate commerce, protect public health and safety, and safeguard economic security. Examples are the Social Security Act, the Fair Labor Standards Act, the work-relief acts.

3. The Merit System

"For the protection of government itself and for promotion of its efficiency we pledge the immediate extension of the merit system through the classified civil service to all non-policy-making positions in the Federal service."

Outstanding have been civil-service gains in the present administration. The Social Security Board was the largest agency ever placed from its beginning under civil-service rules. The Postmaster Act of June 1938 included under civil service first, second, and third-class postmasters, a total of 14,886 postmaster positions which previously had been patronage appointments. By Executive order effective February 1, 1939, the first complete revision of civil-service rules since 1903, all non-policy-determining positions not specifically exempted by law were placed under civil service, and modern personnel divisions were set up in 23 departments and agencies. The Ramspeck bill, which has passed the House, would give the President authority to include such positions now excluded by statute and also to include 350,000 positions in field service.

These merit system gains are in keeping with the statement of policy made by President Roosevelt: "Well-selected, well-trained, well-supervised personnel with opportunity to advance in the service on a basis of merit is the key to effective government administration."

4. Civil Liberties

"We shall continue to guard the freedom of speech, press, radio, religion, and assembly which our Constitution guarantees."

Years that parallel the New Deal years have seen the stifling of civil liberties in Europe, but their continuance and growth in this country, despite the fact of war in many parts of the world.

Specific instances of advance include two Supreme Court decisions, one declaring invalid city ordinances forbidding right of assembly to certain groups, the other declaring legal the distribution of circulars and handbills which had been forbidden in certain cities on the grounds that such circulars cluttered the streets. Important also is the 2½-year investigations of the Senate Civil Liberties Committee, which resulted in the introduction of a bill to make industrial espionage and strike-breaking violence unlawful.

5. Government Finance

"The administration has stopped deflation, restored values, and enabled business to go ahead with confidence. * * * In reviving national income we have fortified Government finance. We have raised the public credit to a position of unsurpassed security. * * * Our retrenchment, tax, and recovery programs reflect our firm determination to achieve a balanced Budget and reduction of the national debt at the earliest possible moment."

Government spending to increase purchasing power resulted in the largest absolute rise in national income for any 4-year period in our history, from 1933 to 1937, from \$42,000,000,000 to \$72,000,000,000—a 69 percent increase. Marked progress was made toward a balanced Budget. This was followed by a temporary recession, which has now been overcome. The increase in the national income over 1932 for the year 1939 alone was far in excess of the total increase in the national debt for the whole period since 1933.

That the small investor has complete confidence in our Government's financial condition was evidenced by the fact that January 1940 saw sales of United States savings bonds (baby bonds) mount to the unprecedented figure of \$266,822,179, or more than was sold during the last 10 months of 1935 when the bonds were first offered.

6. Foreign Policy

(a) "In our relationship with other nations this Government will continue to extend the policy of the good neighbor."

From the good-neighbor ideal has sprung a spirit of continental solidarity, increasingly evident following a series of inter-American conferences, at Buenos Aires in December 1936; at Lima, Peru, December 1938; and the war emergency meeting of foreign ministers at Panama last September. A new and promising, yet logical, outgrowth of efforts to promote political harmony is the interest in cultural sharing between American peoples.

(b) "We reaffirm our opposition to war as an instrument of national policy. We shall continue to observe a true neutrality in the disputes of others; to guard against being drawn * * * into any war which may develop anywhere."

War has developed and, with it, closest adherence to the above declaration. This is shown by the fact that the United States is not being drawn into any foreign armed conflict; that the administration has steadily exerted itself to promote the cause of world peace and is resolute in endeavoring to bring about more peaceful conditions when existing hostilities cease.

The Neutrality Act of the special session of 1939 put commerce with belligerents on a "title and carry" basis, and made regulations which would minimize danger of incidents which lead to war.

(c) "We shall continue to foster the increase in our foreign trade which has been achieved by this administration; to seek by mutual agreement the lowering of those tariff barriers, quotas, and embargoes which have been raised against our exports of agricultural and industrial products; but continue as in the past to give adequate protection to our farmers and manufacturers against unfair competition or the dumping on our shores of commodities and goods produced abroad by cheap labor or subsidized by foreign governments."

Since the reciprocal trade agreements program was launched in 1934, 22 such agreements have been concluded, representing about 60 percent of this country's total foreign trade. In these agreements valuable concessions have been obtained for literally hundreds of agricultural and nonagricultural products. Since 1934 exports have been increased by a billion dollars, or 46 percent, a 61-percent increase to trade-agreement countries as against a 38-percent increase to other countries. Duties have been reduced only to countries agreeing to accord better treatment to American exports; and only to the extent in which such adjustments would not be prejudicial to any established branch of industry in this country.

The final pronouncement in the 1936 platform holds true for the Democratic Party today: "That the interests, the security, and the happiness of the people of the United States of America can be perpetuated only under democratic government as conceived by the founders of our Nation."

Mr. AUSTIN obtained the floor.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Reynolds
Andrews	Ellender	La Follette	Russell
Ashurst	Frazier	Lee	Schwartz
Austin	George	Lodge	Schwellenbach
Bailey	Gerry	Lucas	Sheppard
Bankhead	Gibson	Lundeen	Shipstead
Barbour	Gillette	McCarran	Slattery
Barkley	Glass	McKellar	Smith
Bilbo	Green	McNary	Stewart
Brown	Guffey	Maloney	Taft
Bulow	Gurney	Mead	Thomas, Idaho
Byrd	Hale	Miller	Thomas, Okla.
Byrnes	Harrison	Minton	Thomas, Utah
Capper	Hatch	Murray	Tobey
Caraway	Hayden	Neely	Townsend
Chandler	Herring	Norris	Truman
Chavez	Hill	Nye	Tydings
Clark, Idaho	Holman	O'Mahoney	Vandenberg
Clark, Mo.	Holt	Overton	Van Nuys
Danaher	Hughes	Pepper	Wheeler
Davis	Johnson, Calif.	Radcliffe	White
Donahay	Johnson, Colo.	Reed	Wiley

The PRESIDING OFFICER. Eighty-eight Senators have answered to their names. A quorum is present.

Mr. AUSTIN. Mr. President, it is a rare coincidence that a Senator from Vermont should have the opportunity to express before the United States Senate his appreciation and gratitude to a Senator from Kentucky who is the floor leader of the majority of the Senate. The mere fact that the record which has been so eloquently set forth was made by a Kentucky Senator is a matter of pleasure to me.

Mr. President, Vermont owes Kentucky something which I take this public occasion to acknowledge. For 14 years Vermont was an independent republic, but her independence was not recognized either by the Continental Congress or by the Congress created by the Constitution, and she was not admitted into the Union until 1791. Indeed Vermont might have remained in a state of independence to this day had not Kentucky got ready to come into the Union. Thereupon it was seen by the statesmen of that time that it was well to have a northern State admitted into the Union; and so all opposition was withdrawn, and Vermont was admitted into the Union along with Kentucky. I believe Vermont was first in order, but that is not of great importance.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. BARKLEY. I was about to suggest to my friend that I have always understood Vermont came in as the fourteenth State and Kentucky as the fifteenth, in part because Vermont was a little more rapid in getting here than Kentucky, although the Kentucky resolution was previously passed. I compliment my friend and his State by saying that ever since that time it has been extremely difficult for us to get ahead of or even to keep up with Vermont. [Laughter.]

Mr. AUSTIN. Mr. President, I appreciate those complimentary remarks, coming as they do from a Senator from a great horse State. Kentucky is famous for her thoroughbreds, and Vermont is famous for the Morgan horse.

There is a very sweet memory connected with the two States, and that is that two stripes were added to Old Glory, representing Kentucky and Vermont, and remained on the flag for a number of years, until it was seen that such procedure could not long be continued; and then they were taken from the flag, reducing the number of stripes to the original 13.

I was very much pleased at the reference to Abraham Lincoln in the RECORD of the past 7 years, because it seems to me that one from a State which gave birth to the founder of the Republican Party is chivalrous and fair when he publicly praises that great statesman, particularly in connection with the record of the New Deal. Here again we have the strange coincidence that Vermont contemporaneously produced Stephen A. Douglas, and the two great protagonists ultimately came together upon fundamental principles. It will be recalled that Douglas, a Democrat from Vermont, defeated Lincoln, a Republican from Kentucky, for the Senate, and subsequently, in 1860, Lincoln, the Republican of Kentucky, defeated Douglas, the Democrat from Vermont.

Mr. President, I do not need to recall these coincidences to justify what I am about to say, and that is that, from the point of view of a Senator, almost a freshman Senator, and from the point of view of a slight responsibility here as assistant minority leader, I have reason to be thankful, indeed, to the distinguished floor leader of the majority for his unfailing chivalry and courtesy, notwithstanding we have been bitterly opposed upon a great many issues in the short time I have been here.

I commend him for his service as leader of the majority in creating that record in which, I must confess, he seems to take some pleasure, and if it gives him pleasure, certainly I will not stand here and detract, unless properly, from any of the particular things he mentioned as justifying his gratitude for what has been done and perhaps for the termination of the service.

In any event, Mr. President, if this, indeed, is the valedictory of the New Deal, then I do not stand here and undertake to point out the cost in money and principles of such achievements as give the Senator from Kentucky the pleasure he has expressed. My principal purpose in rising is to say that if this is the valedictory of the New Deal, then let us have an administration that will accomplish some, at least, of the following things:

Let that administration assume that the Republic is competent to govern; let it increase faith in and devotion to fundamentals; and let it adapt and adjust legislation and the

performance of the executive duties to the slow tempo and to the checks and limitations of republican government.

Mr. President, I believe I heard a distinguished statesman say last night on a radio forum that the New Deal started out at a period when the people of this country had lost faith, and that the New Deal was necessary and was the product of a stimulus. To my mind that is exceedingly unfortunate. It is bad to propose such ideas. It is bad to coin such a phrase as "the forgotten man." It is bad to indoctrinate the youth of America with such an expression as "the more abundant life," to soften their character with extravagant promises of support by the Government, and to weaken their patriotism and their determination to support the Government. We have arrived at a time, at the end of 7 years of the New Deal, when we are confronted by legislation, not merely by the declaration of a new Secretary of the Navy which embodies this idea, but by legislation proposed here in the United States Senate that would concentrate in the great Government at Washington, and in the executive branch of that Government, control over all the resources of this Nation; require a census of all the wealth of the country as a whole; ascertain the net wealth of the United States of America, and compel, under the threat of compulsion, of imprisonment and fine, a return by the citizens of this country of their assets and liabilities. For what? For the purpose expressed in the bill, to make forced loans—a step backward in history to the days of Charles I.

Why do we contemplate such declarations by the members of the Cabinet of the New Deal and such legislation in the Congress? Is it not because there is a feeling in this administration, which has been propagated throughout the United States of America, that democracy will not work longer; that its processes are too slow; that there are so many checks and limitations upon democracy that they must be swept aside, and swept aside not by the means prescribed by the people; namely, an amendment of the fundamental law which creates this structure of government called our Republic, but swept aside by the simple act of adopting a proposed law in Congress by a majority of both Houses of the Congress and approved by the President of the United States?

So, Mr. President, the very first demand I would make of whatever administration shall succeed the New Deal is that it assume that this Republic is still competent to govern and that whatever progress it accomplishes, economically, socially, and politically, it proceed under the safeguards and protection afforded to the people by themselves in a written Constitution, in a declaration of rights. This is more important, in my opinion, than any other one objective as we go to the polls in a new election.

Mr. President, if we are to preserve the Republic, we must also find economic recovery. The financial welfare of our people is absolutely essential to the preservation of a free form of government. Further distress, greater depression, would force us still further to concentrate in Washington and in the Chief Executive of the United States powers over production and manufacturing and mining and merchandising, lowering the standard of living, reducing the diet of every citizen of this country, in order that we could get through without starvation. So I declare that the preservation of the Republic depends upon recovery economically.

Among the things that I would want the successor of the New Deal to do and, perhaps, do first, in order to bring about such a recovery would be to solve the monetary question that confronts us, not merely as that question is affected by the metallic content of the dollar; not merely as it involves the query whether our dollar has a redeemer that liveth; but as it comprehends a fair opportunity for business and for agriculture.

I have no doubt, after years of observing, that pending the time when we can solve our monetary question, pending the time when we can make the necessary tariff adjustments agriculture should be supported and aided, and, I say frankly, subsidized, in order that by furnishing a good opportunity for agriculture and business to get together, the value in our

market of agricultural products may be brought to a parity with the value of the products of our factories.

Mr. President, I think the successor to the New Deal should proceed forthwith to put our economic house in condition to meet the inevitable strains of war and post-war days. It should free hoarded gold and silver so as to permit their use and ownership as money. It should provide unified management of credit and money; and, as a specific and early act of legislation, should create a monetary commission to study our current monetary problems. If I am correctly informed, it is 27 years—nearly 28 years—since we had a monetary commission go into this important economic question. Four days ago—namely, on February 29—the Congress passed, and 2 days ago, I am informed, the President approved by his signature, the bill increasing the capital of the Export-Import Bank by \$100,000,000. There probably will be a credit of \$20,000,000 to Finland, and \$20,000,000 to China, to be spent in the United States for nonmilitary supplies. This, in my opinion, is but a straw on the surface of stream of world movement. The United States is the only place in the world where credit adequate to run world wars is available. I am appalled at the thought, but I cannot black it out of my mind, that we are victims to the extent of at least involuntary help of all belligerents, and voluntary help of the belligerents who appear to us to be oppressed by aggressors where war has not been declared. Moreover, we are forced into an attitude of self-defense. We fear the triumph of autocracy in Europe and Asia might result in the destruction of our own free institutions.

Money management by the United States is connected with war and domestic problems.

This war is being fought with checks and hindrances of commerce, not only in the nature of blockades but also in the nature of embargoes. The movement of trade may determine a war today. Money and machinery as well as food and clothing constitute the effective weapons now in greatest use. At all times hereafter they will also be vitally important. All money of the world is anchored on the dollar. Therefore, our responsibility extends beyond our own recovery from depression—which is enough to make us perform our trust well—to establish confidence in the stability and future value of money. Our management of money will react upon the whole world.

We now have managed money. It is somewhat disorganized, but management is in operation. On one hand the Federal Reserve Board, which has been in operation 25 years, controls rediscounting, conducts open-market operations, and makes changes in reserve requirements. These are the mechanisms of money management. Make no mistake about that. The doubling of reserve requirements in 1917, for example, nipped in the bud the upward turn of business and started deflation again. We are not able to say whether that rise was or was not the beginning of a real inflation. Perhaps their decision was right. Perhaps not. But we know that management then was substituted for automatic limitation.

On another hand, the President has managerial powers: First, to fix the metallic content of the dollar; second, to issue unsecured greenbacks, and third, to buy silver and gold.

And again, fourth, there is the use of the stabilization fund to deal in gold or securities.

I am not certain that we could, if we would, return to the monetary system of the past, which depended on automatic checks to overexpansion, such as shortage of money. I do not believe, however, that elastic credit and currency is likely to be wisely and effectively managed if left, as it is now, subject to political pressures.

The machinery for management ought to be made as nearly ideal as humanly possible. Certainly management should be harmonized, unified, and made coherent. The existing confusion caused by division of authority between

different divisions and departments of government ought to be eliminated.

No section of the country, no private interests, no political or partisan power, should control it. Independence from the Executive should be aimed at, and might be attained to a similar degree as in the office of the Comptroller General.

This is as far as I can visualize changes in the mechanism which I think would improve our management of money.

There are other complexities in the situation, however, which suggest that management itself should be limited, simplified, and improved.

We have \$5,000,000,000 of excess reserves—much more than required by the doubling order of 1937. This is partly the consequence of the influx of gold from abroad. Three billion dollars of these reserve deposits accrued this year. If business should develop and call for all of this in loans put into commercial bank deposits, we could have an expansion of bank credit by fifteen to twenty billion dollars, without the exercise of the managerial powers of government. Speculation, rising costs of living, succeeded by depression, would naturally result.

But picture the possibility of further inflation and subsequent deflation inherent in the existence of these powers:

First. Further devaluation of the gold dollar;

Second. Release of the gold in the stabilization fund;

Third. Maximum legal valuation of silver, \$2.58 an ounce, now worth about 43 cents, and

Fourth. Issuance of greenbacks, \$3,000,000,000.

Revival of business could be a fuse leading to the gunpowder stored here.

The stock in trade of money handlers is credit. Banks are vendors of credit. Self-interest and pressure from applicants would be adequate to ignite the fuse.

To the \$17,600,000,000 of gold now in our control and management, additions are coming and will continue to come for some time after the war ends. This potential purchasing or losing power—depending upon events without control—also dictates that we should straighten out the problem of management as soon as practicable.

It seems clear to me that it is not in the interest of the United States especially, nor of the world, that this monstrous property should be scaled down in value. Such action would be expensive. It would increase our public debt.

To stop buying would have that effect.

To lower the price would have that effect.

Moreover, I object to raising the price, because that changes the value of the national currency, to the great damage of every payee of contracts, every holder of an insurance policy, and every owner of a savings account, and sends a tremor of fear through the entire country. Debasement of the dollar further is something to avoid if there is any better manner of performance of our trust.

It is safer for numerous people to hoard gold than for the Government to do so. I believe the idea involved is that, though out of sight, gold in the private holdings of the people forms a ready emergency reserve for future use and reduces proportionately the menace of excess reserves. To bring this about would necessitate removal of restrictions on private possession; it would require resumption of specie payments, coming gold, and putting coins into circulation. The plan would include negotiable gold certificates, and payments for new gold with such certificates or gold coin. In international relations it would establish a free gold market. These are my views regarding repeal of the monetary powers of the President and releasing gold as I have sketched, in relation to the valuation, with reference to the dollar, which it now has.

Mr. President, there is a story which I think is true, that when Cotton Mather died Ben Franklin wrote to Cotton Mather's son and said: "You probably know that your father and I did not get along very well together, and I have owed your father a debt for a long time and regret that he passed away before I paid it. So I now write you in order to relieve my remorse. One time I was calling on your father and he took me into his printing plant, underground, through

a corridor which was very low, and I bumped my head on a beam. He turned to me and said, 'Ben, stoop a little going through life; it will save you many a bump.'"

Mr. President, I have stated my views with the distinct mental reservation which I now express, namely, that I have no special knowledge of the monetary subject, but the more I have studied it the more I have discovered that experts disagree among themselves about the solution of this problem. Therefore what I have said here today, and the hope I have expressed with reference to the administration which will succeed the New Deal, is for the purpose of stimulating thought and of bringing about this immediate action, namely, the creation of a Monetary Commission which will qualify itself, if it is not already qualified, to advise the Congress of the United States what to do with respect to our monetary problem.

Mr. President, I expect that one of the first acts of Congress under the administration which will succeed the New Deal will be to assert its power and perform its duty to regulate the value of money. That is a primary power. It belongs to sovereignty. Without it sovereignty could not defend itself in war; without it sovereignty could not maintain itself in peace. It is not a subsidiary power that is subject to delegation, and when we delegated that power to the Chief Executive we delegated the power to do something the obligation to do which had been placed upon us by the people. So I declare that I should want the successor of the New Deal among its very first acts to assert its power and perform its duty to regulate and control the value of the money of this country.

Mr. President, I have consumed more time than I had intended to originally. I shall now briefly, and rather categorically, set forth several other acts which I should like to see the successor of the New Deal perform.

First, I should like to see it create such conditions—political conditions, which are within the power of the Government to create—that each State may carry its own responsibility in confidence of enjoying self-determination and autonomy.

If there is any one thing I have discovered in returning home, it is that the people of my State, and those of other States which I have visited, look with great fear upon the aggression which Washington has already made upon the governments of the individual States, such as control of public policy through the use of the spending power, actual exercise of police power, and seizure of the natural resources of the several States. Many of the States of the Union I know favor the idea of accepting Federal money and surrendering natural resources. We have witnessed that. But my State does not; and other States of which I know have great apprehension that the control of their natural resources may go out of their hands by virtue of the exercise of the spending power of the Federal Government.

Next, I would have the administration which is to succeed the New Deal assure the people that their legislative power, the people's legislative power, exercised through their representatives in the Congress of the United States, shall henceforth be exercised without coercion from the Executive Department.

Next, I would have that administration give peace of mind, if it could, to anxious people, by assuring them that the Executive authority in conducting foreign relations will not be trespassed upon by the legislative department, and assure to them the continuance of peace between the United States and its neighbors by virtue of the legislative control of the purse strings and of the sword.

Next, I would have that administration, if it could, consolidate the moral defenses of freedom by the certainty that the judicial department will not be brought under subjection, intimidation, or dependence by either the executive or the legislative department.

The sanctuary of the citizen, when pursued by his government, must be kept inviolate.

Again, Mr. President, I would affirmatively and boldly promote the capitalistic system. In examining witnesses from time to time I have found distinguished leaders of

thought not merely expressing the suspicion that the capitalistic system was a failure, but some of them expressly asserting that the capitalistic system is a failure. It is time that we put a stop to the opprobrious shame which has been plastered over the words, "the capitalistic system," and hold it up before the world as the basis upon which the United States of America became and still is the leader of all the world, economically and socially, and, I think, under present conditions, spiritually.

Let that administration encourage the payment of wages to capital as well as to labor. Let it favor daring adventure, the taking of chances, on the sound foundation of a stable government which does not bend every energy to reform and change, and which tries to substitute something new, only because it is new, for the old with which we have succeeded in the past.

Let us improve, let us make progress; but let us give to those who are the starters of business, the initiators of the production of wealth, the people whose accounts are in our savings banks and in our insurance companies and other places where they are now hoarded and withheld from investment, encouragement to believe that a contract made tomorrow will be good a hundred years from tomorrow. Let them realize that their Government is not favoring one class against another, creating prejudices and hatreds and stirring up strife and disorder between employer and employee.

If these things are done, Mr. President, we will see the vaults of the banks open and the wheels of the factories begin to turn, and we will see unemployment decrease at a rate which will be astonishing. We will not need to wait 5 long years for it, nor will we have to plunge this country \$20,000,000,000 more into debt to accomplish it. We will substitute for public spending the private investment of capital, which is the great reservoir of capital and the stimulus of the production of wealth in every country on earth.

Mr. President, reverting to the subject of unemployment, I ask Senators if they do not think it is about time that we got onto a sound, fundamental basis? Does anyone think that, given recovery, given a stimulation of investment, we can have restoration and reequalization of employment if we do not have good will between employer and employee? There is nothing more important for the preservation of the Republic, through restoration of prosperity, than the reestablishment of relations between employer and employee upon a good spiritual basis. The Golden Rule is as good a rule as I know of for the solution of our unemployment problem. I believe I see signs of a trend in that direction. As I have returned to my neighbors who are engaged in business and employ labor on farms and in factories, I begin to see a disposition to recognize the social aspects of business and production. Men have really changed in their attitude in recent years. If that is a part of the stimulus of the New Deal, let us give the New Deal praise for it. I would not withhold it.

Let me say, Mr. President, that when I speak of the future and of that administration which will in all probability succeed the New Deal, I do not denounce everything the New Deal has done. There are many things about it which I praise. I would frankly subsidize agriculture, as I have already said. I think the soil-conservation program, which has in it a detail of control of waters at their sources and the reproduction of forests for the creation of great reservoirs which will check and hold back and keep the water as a supply for farm production through the valleys and the intervening land, is a technique for agriculture which should be carried on with prudence, but with hearty good will by the successor of the New Deal.

But, in passing, I ask whose idea is this matter of conservation, anyway? Let no man here credit the New Deal with the idea of conservation of natural resources. It has been the object of the United States Government for many years. Some distinguished Senators whom I am honored by having the opportunity to address today have been advocates of it for a long life in the Congress of the United States.

There is another suggestion I may make. I should hope that the successor of the New Deal would maintain, improve

if possible, and broaden the benefits of social security and the assurance of a fair chance of every living being to provide against want in old age through his own thrift, made effective, made possible, by Government cooperation.

Mr. President, I am about to close. If the remarkably excellent résumé of the record of the New Deal by the distinguished leader of the majority is the valedictory of the New Deal, let the administration that succeeds it have an attitude of friendliness toward all the lawful activities of our people. Let it not frown upon, let it not compete with, let it not regulate to the point of control and management the activities of our people.

Our republican institutions were designed to give freedom of contract and freedom of action, and, under the blessings of such institutions, we have prospered. It is true that we have had recurrent depressions. We ought to have acquired sufficient information about them to know the causes and, if possible, to overcome them. In any event, I believe that we can minimize the depths and lower the heights and thus level off, perchance, the road of progress of the American people economically, but we can never accomplish such an objective if we continue the New Deal theory of picking out organized groups and holding them up before the world as paragons and as the forgotten group and giving them special advantages over other groups.

Let the administration which succeeds the New Deal be fair and just to all enterprise. Let the word go out among the 130,000,000 people in this country that they have an administration in Washington which will regulate commerce only to that minimum degree that is consistent with the maximum of fair competition and we will see a recovery in the United States of America that will not merely preserve the Republic but will put the United States in the proper position to meet the impact and the burdens that must inevitably face it as a consequence of the destruction of property, life, economy, and social relations all over the world.

We have a great trust, and I have no doubt at all of our ability to perform it. I have no fear that a republic such as ours cannot continue many hundred years in the future to progress as it has in the past, without revolutionizing and overturning and subverting the very principles on which we have acquired all that we have and made all the advance that has marked our national life.

Mr. President, I wish to conclude by referring to the constitution of that little garden 200 miles long and 75 miles wide, called the State of Vermont one article of which contains language something like this:

A frequent recurrence to fundamental principles and a firm adherence to justice, moderation, temperance, frugality, and industry, are absolutely necessary for the preservation of liberty and to keep government free.

Mr. HILL. Mr. President, as we recall conditions in our Nation on March 4, 1933, after 12 years of Republican administration, and survey conditions in the United States today after 7 years of Democratic administration, we see that the country is infinitely better off today than it was on March 4, 1933. The majority leader, the Senator from Kentucky [Mr. BARKLEY], has admirably reviewed the achievements of this administration.

I have before me a short article from the New York Times of March 3, 1940, written by Turner Catledge, giving a description of conditions in this country 7 years ago. It is not my description, but a description published by the New York Times, entitled "A Memorable Day," which I read:

Few people who lived in Washington will ever forget the New Deal's natal day. That day dawned a dark one in every respect. The great depression hung over the country like a darkening cloud. Banks were closing literally by the hundreds. Life savings in bank accounts and securities were being blown away like so much dust. Homes and farms were going on the auction block in ever-increasing numbers. In certain sections citizens were beginning to grow desperate. Word reached Washington that morning of hungry people raiding a food store in one community in the Southwest. In another State, only a few days before, irate citizens had forcibly stopped a foreclosure sale, and in another they had actually dragged a judge from the bench and threatened to tar and feather him for carrying out the State law in declaring the forfeit on a farmer's mortgage.

As I have said this is not my description but the description of that memorable day as told by the New York Times in its issue of yesterday.

Mr. President, speeches are now being made from the stump, in the forum, and on the air by those of the political faith which espouses the policies which brought about the economic paralysis which existed on March 4, 1933, pleading that we return to the governmental policies responsible for the desperate economic conditions with which we are familiar. I ask those who hear such speeches and words going out over the radio to stop and think, and to harken to the admonition that a plague once suffered has its own warnings.

When we recall the bread lines of hungry, desperate men, the burning of grain for fuel, business in bankruptcy, banks failing, and desolation and despair everywhere, we today should give thanks to an administration which has relieved us of those conditions and given us days of prosperity and contentment.

Lord God of Hosts, be with us yet,
Lest we forget—lest we forget!

EXTENSION OF ANTIPERNICIOUS POLITICAL ACTIVITIES ACT

Mr. HATCH and Mr. THOMAS of Oklahoma addressed the Chair.

Mr. HILL. Mr. President, I have not yielded the floor. I yield to the Senator from New Mexico.

Mr. HATCH. I will say to the Senator from Oklahoma that my only purpose in rising at this time is to ask that Senate bill 3046 be made the unfinished business. It is not my intention to speak now. I understood that the Senator from Oklahoma intended to speak at this time. I wish to take only a moment to ask that Senate bill 3046 be made the unfinished business.

Mr. THOMAS of Oklahoma. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Oklahoma?

Mr. HILL. I yield first to the Senator from New Mexico [Mr. HATCH].

Mr. HATCH. Mr. President, it was understood on Thursday that Senate bill 3046 was to be made the unfinished business of the Senate. I do not think that has actually been done as yet.

The PRESIDING OFFICER. It has not been done.

Mr. HATCH. I ask unanimous consent that the Senate proceed to consider Senate bill 3046.

The PRESIDING OFFICER. Is there objection?

Mr. THOMAS of Oklahoma. Mr. President, on that question, I desire to be heard.

The PRESIDING OFFICER. The Senator from New Mexico asks unanimous consent that the Senate proceed to consider Senate bill 3046. Is there objection?

Mr. THOMAS of Oklahoma. I object.

Mr. HATCH. Mr. President, I move that the Senate proceed to consider Senate bill 3046.

The PRESIDING OFFICER. The motion is debatable. Does the Senator from Oklahoma desire to be heard?

Mr. THOMAS of Oklahoma. Mr. President, I desire to beg the pardon of the distinguished Senator from Alabama [Mr. Hill]. At the conclusion of his eloquent preoration I thought he was taking his seat, and with that understanding I addressed the Chair. I in no sense desire to take him from the floor or to embarrass him. I merely desire to preserve my right to obtain the floor at the conclusion of his remarks.

Mr. HILL. Mr. President, I thoroughly understand the Senator's position. To be perfectly frank with the Senator from Oklahoma, and with the Senate, I had concluded all the remarks I had in mind to address to the Senate.

Mr. THOMAS of Oklahoma. Mr. President, it is not within the power of any Senator to yield to another Senator when he desires to relinquish the floor. For that reason I addressed the Chair.

Let me now say to the distinguished Senator from New Mexico that I have no objection whatever to his motion, but I do desire to be heard at this time upon another matter.

That is the reason why I have made my suggestion that I desire to be heard upon his motion.

Mr. HATCH. Mr. President—

Mr. THOMAS of Oklahoma. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. THOMAS of Oklahoma. What is the question pending before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico that the Senate proceed to consider Senate bill 3046.

Mr. THOMAS of Oklahoma. When was that motion made?

The PRESIDING OFFICER. When the Senator from New Mexico was recognized by the Chair, following the remarks of the Senator from Alabama [Mr. Hill].

Mr. THOMAS of Oklahoma. I think I addressed the Chair and was recognized when the Senator from Alabama [Mr. Hill] announced that he had not concluded. I desire to keep the Record straight.

The PRESIDING OFFICER. The question before the Senate is on agreeing to the motion of the Senator from New Mexico.

Mr. THOMAS of Oklahoma. Mr. President, is that motion debatable?

The PRESIDING OFFICER. That motion is debatable.

Mr. THOMAS of Oklahoma obtained the floor.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I now yield to the Senator from New Mexico.

Mr. HATCH. I merely wish to say to the Senator from Oklahoma that there is no intention on my part to take the floor from the Senator from Oklahoma, or to deprive him of his opportunity to be heard. If my motion in any way interferes with what the Senator has in mind, I am perfectly willing to withdraw it and renew my request for unanimous consent.

Mr. THOMAS of Oklahoma. I had served notice on the Presiding Officer that I desired recognition following the conclusion of the remarks made by the distinguished Senator from Alabama.

The PRESIDING OFFICER. That is a correct statement.

Mr. THOMAS of Oklahoma. I desire to keep the Record straight. I have no objection to the motion of the distinguished Senator from New Mexico, and at the conclusion of my remarks I shall have no objection to having his motion put.

Mr. HATCH. I have no objection to that course.

The PRESIDING OFFICER. The Senator from New Mexico first asked unanimous consent that the Senate proceed to consider Senate bill 3046, and objection was heard to that request.

The Senator from Oklahoma has the floor.

PROPOSAL FOR WORLD BANK

Mr. THOMAS of Oklahoma. Mr. President, a few days ago I had something to say relative to our present gold policy. At that time I admitted that the present rate of gold acquisition by the United States was not in the best interests of either our country or the other countries of the world.

In my remarks in the Senate on February 15, I suggested some possible remedies. One was to coin our gold and place it in circulation; another was to organize a world bank for the special purpose of securing a redistribution of our surplus gold among the solvent nations and governments of the world.

Gold is the one and only commodity which is universally recognized and accepted as basic and primary money by all central banks and governments; hence, gold is money, and the only real money in the world.

There is and can be no disagreement over the formula that the best interests of peoples, governments, and nations demand that the gold of the world be fairly distributed among the several nations and governments, to be used by them as a basis for their exchange and for the stabilization of their monetary units in the monetary system of the world.

Nations trade with each other, in the main, by an exchange of goods and services, but unless nations are to be forced upon a purely barter basis they must have or be able to secure gold to adjust balances between and among such countries as presume to trade in the markets of the world.

Mr. President, what are the facts which seem to make such statements not only appropriate but in my opinion absolutely necessary at this time?

The Board of Governors of the Federal Reserve System reported in their bulletin of date January 1940 that the known monetary gold in the world was some \$27,798,000,000; and that of this amount on February 28 of this year the United States owned and had in its possession the sum of \$18,166,000,000.

If the foregoing figures are approximately correct, they show that one country, the United States, possesses \$18,166,000,000, while the other 52 governments together own and possess only some \$9,632,000,000.

The issue of the Federal Reserve bulletin which I have mentioned likewise discloses the fact that as we increase our monetary stock of gold a corresponding decrease is being made in the holdings of most if not all of the other nations of the world.

For example, in December of 1934 France owned some \$5,445,000,000 in gold, while in November of 1939 France had remaining only some \$3,191,000,000, thus showing a loss of French gold holdings in the sum of \$2,254,000,000.

In December of 1934 Italy was reported to have held \$518,000,000 in gold, while in November of 1939 this amount had been reduced to \$193,000,000.

On the same dates Japan had \$394,000,000 in gold, later reduced to \$164,000,000.

The report further shows that on the former date Germany had \$32,000,000 in gold and on the latter date only \$29,000,000.

On the former date Spain had \$740,000,000 and on the latter date only \$525,000,000.

For the RECORD I ask unanimous consent to have printed at this point a statement showing the gold reserves of central banks and governments as of date November 1939.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

The statement referred to is as follows:

Gold reserves of central banks and governments, as of November 1939

	Banks	Governments
United States.....	\$85,000,000	\$17,358,000,000
United Kingdom.....	1,732,000,000	1,162,000,000
France.....	477,000,000	2,714,000,000
Belgium.....	17,000,000	611,000,000
Netherlands.....		700,000,000
Switzerland:		
National Bank.....		559,000,000
B. I. S.....		7,000,000
Argentina.....		449,000,000
Brazil.....		36,000,000
British India.....		274,000,000
Bulgaria.....		24,000,000
Canada.....		213,000,000
Chile.....		30,000,000
China.....		21,000,000
Colombia.....		21,000,000
Czechoslovakia.....		57,000,000
Denmark.....		53,000,000
Egypt.....		55,000,000
Germany.....		29,000,000
Greece.....		28,000,000
Hungary.....		24,000,000
Italy.....		193,000,000
Japan.....		164,000,000
Java.....		88,000,000
Mexico.....		34,000,000
New Zealand.....		23,000,000
Norway.....		103,000,000
Peru.....		20,000,000
Poland.....		84,000,000
Portugal.....		69,000,000
Rumania.....		150,000,000
South Africa.....		234,000,000
Spain.....		525,000,000
Sweden.....		333,000,000
Turkey.....		29,000,000
Uruguay.....		65,000,000
Yugoslavia.....		59,000,000
16 other countries.....		131,000,000
	2,311,000,000	25,487,000,000
		2,311,000,000
Total.....		27,798,000,000

Mr. THOMAS of Oklahoma. Mr. President, the report submitted by the Federal Reserve System shows that during the past 12 months we have received a total of \$3,278,000,000 in gold, and, of course, this gold came from the other nations of the earth, save perhaps the comparatively small amount which was mined in the United States and in our possessions.

This shows that during the past year we have been receiving gold at the rate of approximately \$280,000,000 a month, or some \$70,000,000 a week.

During the week ending February 28, our receipts were \$58,000,000.

During the week ending February 21, our receipts were \$45,000,000.

The same Federal Reserve report shows that the production of gold throughout the world, outside of Russia, is as follows:

1929.....	\$352,000,000
1930.....	365,000,000
1931.....	386,000,000
1932.....	413,000,000
1933.....	411,000,000

The foregoing figures are based upon the former gold dollar containing a weight of 25.8 grains of gold, nine-tenths fine.

In 1933 the United States authorized the devaluation of the gold dollar, and in 1934 the weight of such dollar was reduced from its former gold content to 15 $\frac{1}{2}$ grains of gold, nine-tenths fine; hence, on the basis of the devalued dollar, the world production in:

1934.....	\$707,000,000
1935.....	751,000,000
1936.....	833,000,000
1937.....	892,000,000
1938.....	957,000,000
1939 (estimated).....	1,000,000,000

From the foregoing figures it is seen that world gold production is increasing at an approximate rate of some 3 $\frac{1}{2}$ percent per annum.

With the increase of population, the increase of taxes, and the increase of debt, it is estimated that it is necessary to have gold produced at the rate of approximately 3 percent per annum in order to take care of the added demands for gold.

If the figures herein given are approximately correct—namely, a total world supply of monetary gold at this time in the sum of \$28,000,000,000; second, gold produced annually in the sum of \$1,000,000,000; and, third, the amount coming to the United States in the sum of \$3,290,000,000 annually, then within approximately 3 years all the monetary gold in the world will have been sent to and will be in the custody of the Treasury of the United States. If this should happen, the other nations would be without gold and would be unable to secure gold with which either to measure property values or to be used in the adjustment of international balances.

Further, if this should happen, the following results would be obvious:

First, that the demand for gold among the other nations would be so great that what little gold could be secured would be so valuable in terms of property that prices of such property in such countries as measured in gold would be reduced to unthinkable and impossible prices.

Second, if nations could not get gold with which to support their exchange, then such nations would be forced either to adopt some other commodity as the basis of their exchange, or would be forced to a complete barter basis.

When the effects of the present trend are considered it should be obvious to those in responsible positions that something not only should but must be done to avert a calamity if not chaos among the trading nations of the world.

The coining of our gold and placing it in circulation either in the payment of governmental expenses or the retiring of governmental obligations will, in my opinion, be too slow to afford the relief that must be provided. A plan must be devised and placed in force to provide procedure for the other nations of the world to secure on fair and equitable conditions the necessary gold to support their necessary exchange in order to enable such nations to continue on a trading world-wide basis.

BILL PROPOSING WORLD BANK

In order to bring this question before the Congress and to suggest a possible plan, I have prepared and now ask permission to introduce a bill entitled "A bill to provide for the expansion of the foreign trade of the United States and the stabilization of currencies through the redistribution of gold, and for other purposes."

The PRESIDING OFFICER. Without objection, the bill introduced by the Senator from Oklahoma will be received and appropriately referred.

The bill (S. 3510) to provide for the expansion of the foreign trade of the United States and the stabilization of currencies through the redistribution of gold, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

Mr. THOMAS of Oklahoma. In brief, the bill just introduced by me proposes to expand the power and functions of the existing Export-Import Bank of Washington to the end that such bank may either sell or loan any portion of our surplus gold to approved central banks and governments of the other several nations of the earth.

The expanded bank would in effect be a world bank under the direct management of the Federal Loan Administrator and the functions of the bank would be under the supervision of a board to consist of the President, the Secretary of State, the Secretary of the Treasury, and the Chairman of the Board of Governors of the Federal Reserve System.

The bill further provides that the proceeds from the sale of any of our surplus gold shall be deposited in the general fund of the Treasury. Also, all profits from the loan of gold shall likewise be covered into the general fund of the Treasury.

WORLD MONETARY UNIT

To the end that gold would not lose its place, importance, and value as a monetary metal, and, further, in order that the world may have a single monetary unit, the bill provides for the coinage of a portion of our surplus gold into gold coins containing 1 ounce of pure gold, which means that said coin would contain 480 grains of pure gold, troy weight, and 533 $\frac{1}{2}$ grains of gold, nine-tenths fine.

Before the recent gold dollar devaluation, gold was valued at \$20.67 per fine ounce. At that time we had in circulation \$20 gold coins, which meant that a \$20 gold coin contained approximately 1 ounce of pure gold.

If the suggested plan for gold coins should be adopted, then a coin containing a full ounce of pure gold would be only a small fraction larger than the former \$20 gold piece, but under the present valuation such gold coin would be valued at \$35.

It is obvious to all that the value of gold in terms of dollars is arrived at through the amount of gold contained in the dollar.

The present statutory gold dollar contains 15 $\frac{1}{2}$ grains of gold nine-tenths fine, which means that such dollar contains approximately 13 $\frac{3}{4}$ grains of pure gold.

It was obviously the intent of the President to fix the content of the new gold dollar at such a weight as would serve the best interests of all our people and all our interests.

By dividing the weight of an ounce of pure gold by the number of grains of pure gold in the dollar, we find that the quotient is 35, hence a gold ounce is worth \$35.

From the beginning of our Government until 1873 we used both gold and silver as either the money of account or as the basis for the issuance of the money of account.

From 1873 until 1900 the question of whether or not we would continue to use both gold and silver or go to the single gold standard was uppermost in the public mind.

In 1900 the Congress provided that we should go to the single gold standard, and since that time the United States has used only gold as basic and primary money.

If the other nations cannot retain what gold they have and cannot thereafter secure additional gold, then such nations will be forced to adopt some other commodity as a basis for at least their exchange.

If this should happen the gold which we will have assembled might not be in great demand and in that event our Government would stand to lose a vast amount of value.

If the thing suggested should happen, we would find the present 2,000,000,000 peoples of the earth in about as primitive a condition with regard to money as were their forefathers thousands of years ago.

Under present world conditions there is only one nation that has the opportunity of even making suggestions for a solution of this problem, and that nation is our own United States.

EFFORT TO SOLVE PROBLEM

Mr. President, upon what official or department of government rests the responsibility for solving or trying to solve this all-important problem?

What official or department of Government has either made suggestions or submitted a possible solution or remedy for the present rapidly developing monetary chaos if not a national and world-wide calamity?

The answer is none; neither official nor department.

Ten years ago when the great depression fell upon us and the other nations untied their monetary units from gold and thereby devalued their money in terms of gold, what did the managers of our money do? The answer is nothing, and thereby, calamity came to the Government; the banks, the people, and, incidentally, to one of the great political parties of the United States.

Mr. President, shall history repeat itself in the year 1940?

The facts about present conditions and present trends are or should be known best by our money managers, and these money managers are the Department of the Treasury and the Board of Governors of the Federal Reserve System.

Have we any recommendations or suggestions from either of these departments? Insofar as my knowledge goes, the answer is—no.

In this matter history is repeating itself. Ten years ago when we were drifting toward economic bankruptcy what suggestion for relief came to the Congress from the said departments or from any source? The only suggestion that came from any source outside of the Congress was stand pat. We stood pat and the calamity came.

Mr. President, we, the Congress, cannot step aside, we cannot put aside, we cannot escape the responsibility that rests upon us with regard to our monetary and financial system.

The Congress is responsible for the single gold standard and monetary system we now have. We know that the monetary systems of the world are likewise based upon the single gold standard. We know that there is only some \$28,000,000,000 of monetary gold in all the world. We know that, of this gold, we now have some \$18,200,000,000. We know that gold is coming to us at the rate of over two hundred millions per month, and that at such rate all the monetary gold in the world will have been sent here in the next 3 or 4 years.

Again I ask—should this happen what would be the conditions facing not only our country but the other countries of the earth?

Mr. President, the bill I have just introduced has for its objective, the formation of a program for meeting the issue I have sought to define. I am not seeking to stop the gold from coming to America, but after such gold or money arrives here, I am suggesting a plan for its use and redistribution.

To work out the details I am calling upon what should be the best financial brains in our country.

I suggest the creation of what may be called a world bank. This will be an expansion of the existing Export-Import Bank, and shall have for its additional objectives:

First. The redistribution of our surplus gold.

Second. The stabilization of currencies.

Third. The expansion of world trade.

Fourth. The introduction and establishment of the gold ounce as a world monetary unit.

Fifth. The use of our financial and economic power as an influence for permanent peace among the nations of the earth.

Mr. President, under the Constitution, which all patriotic Americans profess to support and uphold, we find that the Congress is the policy-making branch of our Government. The Congress, being the policy-making branch, has the exclusive power and jurisdiction to coin money and to regulate the value thereof. The bill which I have introduced has for its purpose the carrying out of the powers conferred upon the Congress by the Constitution.

As a part of my remarks, I ask unanimous consent that a copy of the bill as introduced be printed at this point in full.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3510) is as follows:

A bill to provide for the expansion of the foreign trade of the United States and the stabilization of currencies through the redistribution of gold, and for other purposes

Be it enacted, etc., That for the purpose of aiding in financing and facilitating exports and imports and the exchange of commodities between the United States and any of its Territories and insular possessions and any foreign country or the agencies or nationals thereof, and for the purposes of assisting in the stabilization of the value of the dollar and other currencies, promoting the cooperation of central banks, and providing additional facilities for international financial objectives, the Export-Import Bank of Washington is authorized and empowered, in addition to its existing charter and statutory powers, to exercise the functions hereinafter provided by this act. Such functions shall be exercised under the direction and supervision of a board of management (hereinafter referred to as the "Board") consisting of the President, the Secretary of State, the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Federal Loan Administrator who shall be the executive manager for the said Board in carrying out the special functions of the said Export-Import Bank as herein provided. The said Board is authorized to make such rules and regulations as may be necessary for carrying out its functions and those of the Export-Import Bank of Washington under this act. The members of the Board shall receive no additional compensation for their services as such members.

Sec. 2. (a) With the approval of the Board, and subject to such terms, conditions, and limitations not inconsistent with the provisions of this act as the Board may prescribe and notwithstanding any existing provisions of law, the Export-Import Bank of Washington is authorized and empowered, on behalf of the United States—

(1) to sell any unobligated or unencumbered gold coin or bullion belonging to the United States;

(2) to make loans of any such gold coin or bullion to the central banks of foreign countries upon such security as the Board may approve as satisfactory;

(3) to accept the custody of gold for the account of such central banks;

(4) to make advances to such central banks against gold, bills of exchange, other short-term obligations of prime liquidity, as determined by the Board, or other securities approved by the Board;

(5) to open and maintain current or deposit accounts with such central banks;

(6) to accept deposits from such central banks on current or deposit accounts;

(7) to accept deposits in connection with agreements entered into between the Export-Import Bank of Washington and such central banks for the purpose of carrying out international agreements or settlements to which the United States is a party; and

(8) to accept such other deposits as, in the opinion of the Board, will aid in accomplishing the purposes of this act.

No loan of gold shall be made under this section except to a central bank which is approved by the Board, and no such loan shall be made to any such central bank unless such bank, or the foreign government which it represents, enters into an agreement satisfactory to the Board to fix a definite gold content for the monetary unit used by such bank or government, and to maintain such monetary unit in terms of gold as a basis for all exchange transactions entered into by such bank or government.

(b) The functions of the Export-Import Bank of Washington under this act shall, so far as practicable, be exercised through its existing facilities, but the Board is authorized to provide for such additional facilities and personnel as in its opinion may be necessary to carry out such functions. The Board is authorized to employ and fix the compensation of any such additional personnel without regard to the provisions of other laws relating to the employment and compensation of officers and employees of the United States. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for such additional facilities and personnel.

(c) All the proceeds derived from the sale of any gold by the Export-Import Bank, and all profits derived by it from gold loans or from any of its other activities under this act, during any fiscal year, shall be covered into the Treasury as miscellaneous receipts prior to the end of such fiscal year.

(d) The Board shall make an annual report to the Congress at the beginning of each regular session with respect to the operations of the Export-Import Bank of Washington and the activities of the Board under this act.

Sec. 3. In order to further accomplish the purposes of this act, the Secretary of the Treasury is authorized and, with the approval of the Board, is directed to provide for the coinage of gold coins, in an aggregate amount not to exceed \$2,000,000,000, out of any unobligated and unencumbered gold belonging to the United States: *Provided*, That the gold now set aside and held in the stabilization fund may be coined as herein provided. Such coins shall be of such design as the Secretary shall approve, and each such coin shall contain 1 ounce of pure gold, or 480 grains Troy weight, and 533 7/21 grains of gold nine-tenths fine, and shall state the weight and fineness of the gold contained therein and the value thereof in dollars and shall be legal tender for all debts, public and private.

Sec. 4. In the operation of the bank as provided herein, should the Board decide that the best interests of the United States demands the sale or loan of more gold than is unobligated at the time, then such Board is authorized to secure the release of gold in the possession of the Treasury by reimbursing the Federal Reserve System or any bank in such System and thereby securing the return to the Treasury of gold certificates heretofore issued against such gold and the Treasury is hereby authorized to make payment to any such Federal Reserve bank out of any funds not otherwise appropriated.

Sec. 5. All acts or parts of acts which are inconsistent with any of the provisions of this act are hereby repealed; and all proclamations, orders, rules, regulations, and other action promulgated, made, issued, or taken by the President or the Secretary of the Treasury with respect to gold shall cease to be effective on and after the date of enactment of this act to the extent that such proclamations, orders, rules, regulations, and other action are inconsistent with any of the provisions of this act.

Sec. 6. The short title of this act shall be the "Surplus Gold Act of 1940."

PROPOSED ACQUISITION OF BRITISH CARIBBEAN ISLANDS AND BRITISH HONDURAS

Mr. REYNOLDS. Mr. President, at this time I ask unanimous consent to introduce a joint resolution similar to one which this afternoon will be introduced in the House of Representatives by Hon. JENNINGS RANDOLPH, a Representative from the State of West Virginia.

The PRESIDING OFFICER. Without objection, the joint resolution will be received. The clerk will state the title of the joint resolution.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 221) for the acquisition of British islands in the Caribbean and British Honduras.

Mr. REYNOLDS. Mr. President, the joint resolution requests and empowers the President of the United States to enter into negotiations with Great Britain for the acquisition of certain possessions of Great Britain in the Caribbean and in Central America; and if, after those negotiations, an agreement can be reached by which the United States shall acquire those islands, or certain of those islands, for defense purposes, the amount agreed upon will be credited to the indebtedness of Great Britain to the United States.

At the present time Great Britain is indebted to the United States in the total sum of \$5,574,430,793.82. These figures I secured on Saturday from the State Department. At the time of my inquiry the State Department advised me that the first absolute default of the British Government in its indebtedness to the United States was on June 15, 1934, while the last token payment made by the British Government to the United States was on December 15, 1933, in the sum of \$7,500,000, which amount was applied to interest accumulated and past due. The present status of that debt is, principal, \$4,368,000,000; interest, \$1,206,430,793.82; making a total, as heretofore stated, of \$5,574,430,793.82.

The principal bears interest at the rate of 3½ percent, and is due semiannually; none having been paid since June 15, 1934. In the case of the payment of \$7,500,000 at that time, the British Government did not designate where it was to be applied, but I am informed by the State Department that it was applied to the interest on the principal debt.

Mr. President, but recently we have heard a great deal in reference to the protection of the locks of the Panama Canal, particularly by the President of the United States since he was fishing in waters adjacent to that point; and recently we have read a great many editorials on the subject in the newspapers of the country, and quite a good deal of mention has been made of it upon the floor of the Senate and likewise upon the floor of the House. I am thoroughly of the opinion that we should provide ourselves with an adequate, actual national defense for defense purposes only; and in making

provision for adequate national defense we of course should of necessity prepare to protect the locks of the Panama Canal in order that our shipping may not be interfered with, and our fleet passing from Pacific waters to Atlantic waters. I may add at this time that once before I remarked, in making comparisons between the use of battleships and the use of battle planes, that it takes a battleship 11 days to proceed from San Francisco southward through the locks and northward in the Atlantic to New York City, whereas one of our big bombers can negotiate the distance across the continent between San Francisco and New York in 11 hours; but we are particularly interested in protecting the locks of the Panama Canal.

With that in view, we are at the present time expending a number of millions of dollars in increasing our fortifications in the immediate vicinity of San Juan, in Puerto Rico, concerning which the very able Senator from Oklahoma spoke some weeks ago after having made a visit there as a member of the Committee on Military Affairs. I think that is money well spent; and if we will fashion in our minds the location of the island of Puerto Rico, we will recall that it is approximately half-way between Cuba and the island of Trinidad, which is a British possession; and if we will further fashion in our minds the location of Puerto Rico we will envision it directly east of the Panama Canal itself.

In view of the fact that that is really virtually our only fortification for the protection of the locks from the Atlantic, and in view of the fact that we are the possessors of the Virgin Islands, a distance of about 60 miles from Puerto Rico—that is to say St. Thomas, the capital of the Virgin Islands, is about 60 miles from San Juan, the capital of Puerto Rico—and in view of the fact that we are maintaining friendly relations with the Dominican Republic and with the Republic of Haiti and with the Republic of Cuba I am of the opinion that we should, if we possibly can in a friendly way, acquire those islands in the arc extending from Florida to Port-of-Spain, which is the capital of Trinidad.

We have endeavored to do everything we possibly can to aid the Allies who are possessed of democratic forms of government. We have lifted the arms embargo, and we have permitted them to seize our ships in neutral waters and take them into belligerent ports. We have permitted them at sword's point and with arms at their side to confiscate, at least temporarily, our mails at Bermuda, and to hold up our ships, without a single serious protest having been issued by our State Department; all with a view of aiding, if possible, without ourselves becoming involved, the Allies in their death struggle with the totalitarian States, since we are violently opposed to totalitarianism in every form.

I think we should endeavor to help our English brothers and cousins. This is an hour when they are desperately struggling for their lives, and we can really do an act of charity at the present time by saying to them, "We want to help you. We know that you are overburdened with debts. We know that all the gold you have saved up, and all the gold you have, you are going to use for the purpose of buying implements of death at our armories here in the United States. In addition to all the troubles of the world that you have upon your shoulders, you have the debts, exceeding \$5,000,000,000, that are owing and due and have remained unpaid to the United States of America for many years past."

We can help England and France at this time by saying, "We are going to lift some of these responsibilities off your shoulders; we are going to aid you by giving you an opportunity to pay your debt to us, at least a part of it, by turning over to us some property which you own in the Western Hemisphere, in the waters of the Atlantic." I suppose it could be properly so described.

I have in mind especially Bimini. Bimini is a British possession, only 50 miles from the coast of Florida. Ninety-five percent of all the tourists who go to Bimini come from the United States. Next, there is the island of Nassau, which

is only about 150 miles from the coast of Florida. Then, just south of Cuba we find Jamaica, and the major part of the tourists to that island come from the United States, and, consequently, like Bimini and Nassau, Jamaica derives the greater portion of its revenue from that source.

Further southward, beyond the Virgin Islands, we find a group of islands, the Windward Islands and the Leeward Islands, which belong to Great Britain. They extend in a curve to the Port-of-Spain and the island of Trinidad, which is just a stone's throw off the coast of Venezuela in northeastern South America.

If we were possessed of those islands, extending from Florida, in that circle, to the Port-of-Spain, we then would be in an admirable position to lend strength to the fortifications which we are building at Puerto Rico; and if we should have those islands, I am confident we would entertain no fear of any attack by plane or ship or submarine from the waters of the Atlantic. But without the possession of those islands, in addition to Puerto Rico and the Virgin Islands, and considering the friendly relations of the Dominican Republic and Haiti, there is always danger of attack by submarines or battleships or cruisers or airplanes. For that reason I think we should endeavor to make a deal, if we possibly can, by which we could acquire these islands.

Furthermore, Mr. President, I have embodied in my joint resolution British Honduras. We would not strengthen ourselves materially by acquiring the islands to which I have referred unless we at the same time acquired British Honduras, which is in Central America, adjoining the Republics of Guatemala and Nicaragua.

The area of British Honduras, according to my recollection, is about 8,000 square miles, whereas the total number of square miles in all the islands belonging to the British, including Bermuda, Jamaica, and the Windward Islands and the Leeward Islands, is about 12,000. So a total of about 20,000 square miles is involved. I hope that the Committee on Foreign Relations, to which the joint resolution no doubt will be referred, will give consideration to this matter.

I am sure that Great Britain would be glad to consult with us in regard to such a transaction, because unquestionably they recognize their debt as an honest debt, the principal of which has been considerable for a number of years, and the interest on which has been piling up from year to year. Certainly for 25 years to come they will not be able to pay anything upon the interest, much less the principal, because when the present war is over, England, like all the other countries of Europe, will be so poverty-stricken that she will not be able to pay anything. This is the time when we desire to strengthen the defenses of the Canal from the East, and I think we should endeavor to make some arrangement of a satisfactory nature.

In particular reference to Bermuda, as Senators know, Bermuda is in the Atlantic Ocean exactly 530 miles directly East from Kitty Hawk, N. C. Bermuda is now being used as one of the stopping points of the trans-Atlantic planes flying to Lisbon, Portugal, and, as I stated a moment ago, we have experienced some difficulty due to the seizure and censoring of our mail. I may add, in that connection, that, as most of my colleagues know, we have no outposts in the North Atlantic, and by acquiring Bermuda we would have an outpost there which would be of considerable value to us from a defense standpoint.

It might be well for me to mention the fact that 95 percent of all the revenue derived by Bermuda comes out of the port of New York, and equally, 95 percent of all the tourists who visit the island of Bermuda come from the United States. Bermuda, Jamaica, Bimini, and Nassau represent a considerable number of American tourist dollars from year to year, and I do not believe that we would make a bad bargain if we could acquire these possessions at a reasonable figure.

I may add that later this week or early next week I propose to introduce another joint resolution, which will empower and request the President of the United States to enter

into negotiations with the Republic of France in reference to the acquisition of the islands in the Caribbean, which lie between the Virgin Islands and the Port-of-Spain, not far from the British island possessions in that section of the Caribbean.

In addition I shall include two islands which lie in immediate proximity to Newfoundland. They could be very well used by our airplanes in trans-Atlantic flights when using the northern route.

Mr. President, I should like to have included as a part of my remarks a portion of a letter which I received this morning from a gentleman in New York. I will not give his name, in view of the fact that he did not authorize me to use it publicly. He says:

I was very pleased to see your demand that Bermuda be ceded by the British Empire as part payment of their long-overdue war debt. I believe that the issue of return or surrender by European nations of all their holdings in the western world would be a very popular one with the American people, though it would be bitterly fought by British and French propagandists and their followers here. But surely our neutrality zone is a mockery when we patrol the 300-mile limit to seek German ships, while the war vessels of other belligerents destroy commerce (as they did the other day in the Dutch West Indies) with impunity, ignoring the zone and making use of their bases within.

I should like to have embodied in the RECORD as part of my remarks a press release by the Columbia Press Service, Bond Building, Washington, D. C., without date, in reference to the interest in this matter as evidenced by Representative Sweeney, of Ohio; by Gen. Smedley Butler; by Hon. Smith W. Brookhart, former United States Senator; and a number of others.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C.—Congressman MARTIN L. SWEENEY of Cleveland, Ohio, a Member of the House of Representatives for over 9 years, today announced his acceptance of the post of vice chairman of the "Make Europe Pay War Debts Committee" for the State of Ohio.

In accepting, Congressman SWEENEY voiced his emphatic approval of the committee's aims and of the proposal calling for immediate settlement of European war debts by cession of the British and French West Indies to the United States and the attachment of the deposits of Germany, Italy, and other countries in American banks.

The Ohio Congressman will cooperate energetically, he declared, with Senator ERNEST LUNDEEN of Minnesota, national chairman of the committee, and with such other outstanding leaders as Gen. Smedley D. Butler, vice chairman for Pennsylvania, and former Senator Smith W. Brookhart, vice chairman for Iowa. The list of vice chairmen includes a number of distinguished citizens.

"I am glad to assist in this great work," the Senator asserted, "and I consider the war-debts proposal a very reasonable one. It is high time that the American people, burdened by taxes, poverty, and international disturbances, collect some of the money due them—in real estate where it cannot be collected in cash."

Congressman SWEENEY, as vice chairman for Ohio, plans intensive activity in behalf of the "Make Europe Pay War Debts" movement, and it is likely that he will deliver various addresses as well as radio broadcasts. One such Nation-wide broadcast on the war-debt issue has already been given by Senator LUNDEEN over the National Broadcasting Co. hookup.

"The collection of these war debts or at least a substantial share of them," Congressman SWEENEY commented today, "is highly important both because of the plain undeniable justice of getting back American money or its equivalent, and because the agitation of the topic will be likely to make the American people so sick, tired, and disgusted with foreign wars that no amount of treacherous propaganda will ever draw us into another conflict on alien soil."

Keen gratification was expressed over Congressman SWEENEY's acceptance of the Ohio vice chairmanship of this important national committee by both Senator LUNDEEN and the headquarters of the committee.

"We consider Congressman SWEENEY a most valuable addition to our forces," it was stated, "and we have long had a high respect for his fearless statesmanship and his unwavering stand for genuine American principles. It is upon such men as Mr. SWEENEY that our Nation must depend for its protection against the schemes and stratagems of foreign agents and manipulators."

Mr. REYNOLDS. Mr. President, I should also like to have included in the RECORD a press release by the Columbia Press Service, without date, relative to the matter I have been discussing, in which is described the activities of the Make Europe Pay War Debts Committee.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Formation of the Make Europe Pay War Debts Committee with United States Senator ERNEST LUNDEEN, of Minnesota, as national chairman, and headquarters in Washington, D. C., was announced today. The list of vice chairmen will include Congressmen, editors, clergymen, educators, scientists, economists, and political leaders.

Senator LUNDEEN, long an advocate of separation of the Americas from involvement in European wars and military intrigues, caused a sensation in Congress when he demanded that the West Indies be seized and applied as payment on account of the European war debts to the United States. The Senator is one of the three remaining Members of Congress who, over 20 years ago, voted against American participation in the first World War. He contends that the entrance of the United States into that conflict was a tragic mistake and that equally strong reasons exist today for keeping out of transoceanic brawls.

The proposal for transfer of the West Indian islands to the ownership of the United States in liquidation of war obligations was favorably received by the American people, as evidenced by the Nation-wide survey made by the American Institute of Public Opinion. The institute's survey showed that 66 percent of those replying to the questionnaire would like to see the war debts exchanged for the islands, while 34 percent were opposed.

Citizens who took part in the institute's straw vote on Senator LUNDEEN's proposal commented that "America will never be paid in any other way," and that the transfer of ownership of various islands in the West Indies and other regions adjacent to the mainland of North and South America would be a practical way of furnishing partial compensation to the United States for the huge sums loaned to European governments in the first World War.

"Every country in Europe, with a few exceptions, owes money to the United States," declared Senator LUNDEEN. "While Great Britain and France are the principal creditors, Germany, Italy, and Russia have their obligations, too. It is not a one-sided proposition. The proposal which I made to Congress is strictly an American demand for a settlement of debts due America from governments on both sides of the present European wrangle. This suggestion has no bearing on the war itself and involves no preference one way or the other."

The Make Europe Pay War Debts Committee, which has headquarters in suite 425-426 of the Bond Building, Washington, D. C., will conduct a series of meetings in principal cities of the United States in an effort to organize sentiment in favor of a demand from the American Government for cash liquidation of war debts or cession of island possessions in the Caribbean Sea and off the coasts of the two American continents as payment on account. Senator LUNDEEN will speak in many of these meetings.

The treasurer and the secretary are Washington newspaper correspondents—Prescott Dennett, executive editor of the Columbia Press Service, being treasurer, and Linn A. E. Gale, free-lance writer and liberal, being secretary. S. Robert Kunkis, with offices in the Paramount Building, New York City, is the committee's attorney.

Four desirable objectives would be attained if European-owned land were ceded to the United States in partial liquidation of the 20-year-old war debts, according to Senator LUNDEEN. They are:

1. Payment of the long-pending obligations which the United States has so far failed to collect.

2. Instilling into the minds of the American people a profound hatred of war, not only because of its cruelties and barbarities, but also because it has left them weighted down with a fearful load of debts and taxes. The demand for payment of European war debts is bound to remind the people of the fact that the United States was "stung" on such an enormous scale in the first World War and would undoubtedly be "stung" still worse if it should be foolish enough to get into another world conflict.

3. Union of the nations of North, Central, and South America in a closer bond of friendship, as the result of the elimination of foreign control from countries south of us and islands in the Caribbean Sea and vicinity, as well as islands off the coasts of the two continents, such as the Falkland Islands near the Argentine coast.

4. The flags of the Americas would fly over all the land from the northern extremity of North America to the southern extremity of South America. America would be insulated against the bloody and devastating conflicts which deluge Europe in gore.

Foreign governments owning no territory in the Western Hemisphere or unwilling to cede their possessions to the United States in adjusting overdue wartime debts could cut down their indebtedness by surrender of bank deposits in this country. Many of these countries have large sums on deposit in American banks. If this money were transferred to the American Treasury, it would materially diminish the totals of the bills due to the United States.

Bermuda, Jamaica, Trinidad, Guadeloupe, Barbados, and hundreds of islands and islets in the Bahamas and other groups would become American territory if Great Britain should turn them over in trying to square up its debt of over two decades ago.

France and other European countries own various islands in or near the Caribbean Sea or a short distance from the coasts of the two American continents.

Senator LUNDEEN points out that European nations still owe the United States approximately \$14,500,000,000. Of this sum, Great Britain owes in round figures \$5,500,000,000; France, \$4,180,000,000; Germany, \$1,260,000,000; Belgium, \$453,000,000; Czechoslovakia (now possessed by Germany), \$166,000,000; Austria (also now a part of Germany), \$26,000,000; Poland (now possessed by Germany and Russia), \$263,000,000; Italy, \$2,000,000,000; Russia, \$395,000,000; Hungary, \$2,400,000; Greece, \$34,000,000; and Finland, \$8,230,000. The only country in Europe to meet its obligations to the United

States promptly is Finland, whose wartime debt was discounted 50 percent by the American Government. Hungary, it was said, has been paying \$18,000 annually, and Greece turned over \$13,000 to the United States Treasury on its obligation of \$34,000,000.

The next payments on the international debts due to the United States come due December 15 and the State Department will send out to the various European governments the customary formal notices. It is expected that these notices will be ignored as usual, except by Finland, and perhaps the Governments of Greece and Hungary.

Among the Congressmen who have indicated their approval of the aims of the committee in seeking to adjust the war debts from Old World governments are Representatives SCHAFER of Wisconsin; LUDLOW, of Indiana; and MURDOCK of Arizona.

Congressman SCHAFER of Wisconsin declared: "In view of our national debt, which has now passed \$41,000,000,000, in addition to many more billions of obligations which Uncle Sam has guaranteed, it is about time that we move to collect the billions of dollars which foreign governments owe us instead of continuing to play Santa Claus to them in a big way."

Dr. John B. Patterson, professor of inter-American affairs at American University and director of its school of public affairs, endorsing the war-debts collection movement, remarked: "Much attention is given the matter of the expropriation of oil properties in Mexico, but little is said about the enormously larger war debts of countries in Europe which have been overdue for a score of years. It is on the latter that we should concentrate, and it is a shame that, with so widespread poverty in this country, the American Government has never made more than casual attempts to collect the huge sums which would do so much toward reducing destitution and restoring prosperity. The United States has not the slightest aspiration to own one inch of European soil, and it is only logical that the entire Western Hemisphere should be owned and controlled by the Americas."

A schedule of mass meetings to be held under the auspices of the Make Europe Pay War Debts Committee in Washington, New York, Baltimore, Philadelphia, and other important cities will be available soon, committee officials said.

Nation-wide approval of the proposal of Senator LUNDEEN is evidenced by correspondence from all parts of the country, committee officials stated.

Mr. REYNOLDS. Mr. President, insofar as the revenues from these various possessions in the Western Hemisphere of Great Britain are concerned, I requested from the Department of Commerce some statistics on production, foreign trade, and public finance for 1933, 1934, 1935, and for the information of the readers of the RECORD I should like to have this information embodied in the RECORD as a part of my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[The Library of Congress Legislative Reference Service]

Statistics of production, foreign trade, and public finance for British possessions in the Western Hemisphere, 1933, 1934, and 1935

Country, etc.	1933	1934	1935
Bermuda:			
Production: potatoes..... tons..	2,000	2,000	2,000
Foreign trade:			
Exports, total..... £..	63,000	51,000	55,000
Potatoes..... £..	24,636	14,739	13,602
Onions..... £..	4,482	3,157	1,716
Other vegetables..... £..	23,191	19,928	27,151
Lily bulbs..... £..	4,910	5,568	7,545
Imports, total..... £..	1,397,000	1,339,000	1,420,000
Public finance:			
Gross revenue..... £..	419,000	363,000	385,000
Gross expenditure..... £..	415,000	378,000	371,000
British Guiana:			
Production:			
Rice..... tons.....	64,000	55,000	85,000
Sugar..... hundredweight.....	2,839,000	2,644,000	3,560,000
Bauxite..... tons.....	41,300	64,900	137,600
Diamonds..... metric carats.....	49,900	46,000	47,800
Gold ore (in terms of metal)..... fine ounces.....	23,000	25,000	30,000
Foreign trade:			
Exports, total..... £..	1,886,000	1,709,000	2,040,000
Sugar, unrefined..... £..	1,197,000	1,160,000	1,443,000
Rice..... £..	221,000	121,000	98,000
Diamonds..... £..	115,000	101,000	103,000
Rum..... £..	80,000	102,000	89,000
Imports, total..... £..	1,801,000	1,748,000	1,832,000
Public finance:			
Gross revenue..... £..	1,069,000	1,147,000	1,089,000
Gross expenditure..... £..	1,050,000	1,081,000	1,128,000
British Honduras:			
Foreign trade:			
Exports, total..... £..	101,000	174,000	186,000
Gum, chicle:			
Domestic produce..... £..	48,954	39,598	34,975
Reexports..... £..	33,000	47,000	29,000
Mahogany logs and lumber..... £..	15,496	81,291	86,402
Bananas..... £..	11,245	18,595	25,055
Cocoanuts..... £..	7,545	12,868	19,303
Imports, total..... £..	393,000	379,000	535,000

Statistics of production, foreign trade, and public finance for British possessions in the Western Hemisphere, 1933, 1934, and 1935—Continued

Country, etc.	1933	1934	1935
British Honduras—Continued.			
Public finance:			
Gross revenue..... £..	217,000	129,000	279,000
Gross expenditure..... £..	197,000	168,000	278,000
Canada:			
Production:			
Wheat..... bushels.....	281,900,000	275,800,000	277,300,000
Hay and clover..... tons.....	11,443,000	11,174,000	14,050,000
Ment..... tons.....	692,000	745,000	717,000
Dairy ¹ (expressed in pounds of milk)..... tons.....	16,048,724,900	16,329,285,400	16,356,061,300
Wood pulp..... tons.....	2,660,300	3,246,700	3,453,900
Gold ore (in terms of metal)..... fine ounces.....	2,949,000	2,972,000	3,285,000
Coal..... tons.....	10,600,000	12,300,000	12,400,000
Petroleum, crude..... tons.....	145,000	179,000	183,000
Foreign trade:			
Exports, total..... £..	118,678,000	132,698,000	152,127,000
Wheat..... £..	24,563,000	26,825,000	29,969,000
Paper, newsprint..... £..	15,121,000	16,552,000	18,307,000
Wood and timber..... £..	7,885,000	8,969,000	10,498,000
Wood pulp..... £..	5,183,000	5,240,000	5,669,000
Wheat flour..... £..	4,073,000	3,724,000	3,910,000
Whisky..... £..	3,309,000	2,715,000	3,286,000
Furs..... £..	2,897,000	3,017,000	3,175,000
Fish:			
Dried, canned, etc..... £..	2,499,000	2,685,000	2,755,000
Fresh or frozen..... £..	1,597,000	1,692,000	2,014,000
Motorcars..... £..	2,365,000	3,887,000	4,818,000
Imports, total..... £..	88,975,000	106,645,000	114,615,000
Public finance:			
Gross revenue..... £..	66,500,000	73,700,000	76,400,000
Gross expenditure..... £..	71,200,000	72,800,000	76,800,000
National wealth ² dollars.....	25,768,236,000		
National income ³ dollars.....	3,193,000,000	3,808,000,000	
Falkland Islands and dependencies:			
Foreign trade:			
Exports, total..... £..	454,000	598,000	450,000
Whale oil..... £..	257,000	360,000	246,000
Wool..... £..	101,000	130,000	109,000
Imports, total..... £..	270,000	296,000	278,000
Public finance:			
Gross revenue..... £..	102,000	117,000	75,000
Gross expenditure..... £..	117,000	115,000	141,000
Newfoundland:			
Production:			
Copper ore..... tons.....	3,200	4,200	2,900
Gold ore (in terms of metal)..... fine ounces.....	16,000	11,000	13,000
Iron ore..... tons.....	321,000	507,000	662,000
Lead ore (metal content)..... do.....	34,400	37,200	35,000
Silver ore (metal content)..... fine ounces.....	1,208,000	1,103,000	1,124,000
Zinc ore (metal content)..... tons.....	73,700	86,800	71,200
Fisheries.....	(⁴)	(⁵)	(⁶)
Foreign trade:			
Exports, total..... £..	5,629,000	4,908,000	5,336,000
Paper..... £..	3,126,000	2,315,000	2,555,000
Fish (fresh, dried, canned, etc.)..... £..	1,461,000	1,310,000	1,478,000
Imports, total..... £..	3,110,000	3,348,000	3,951,000
Public finance:			
Gross revenue..... £..	1,700,000	1,800,000	2,000,000
Gross expenditure..... £..	2,300,000	1,500,000	1,700,000
WEST INDIES			
Bahamas:			
Foreign trade:			
Exports, total..... £..	145,000	105,000	113,000
Sponge..... £..	85,000	58,000	52,000
Tomatoes..... £..	26,451	20,444	26,064
Lumber..... £..	22,724	7,403	14,938
Hemp..... £..	162	1,371	3,802
Imports, total..... £..	930,000	725,000	718,000
Public finance:			
Gross revenue..... £..	338,000	277,000	297,000
Gross expenditure..... £..	310,000	277,000	289,000
Barbados:			
Production:			
Sugar..... hundredweight.....	2,344,000	2,229,000	1,630,000
Cotton..... pounds.....	2,000	41,000	10,000
Foreign trade:			
Exports, total..... £..	1,258,000	1,343,000	999,000
Molasses..... £..	437,000	537,000	637,000
Sugar, raw..... £..	788,000	775,000	319,000
Imports, total..... £..	1,719,000	1,913,000	1,840,000
Public finance:			
Gross revenue..... £..	468,000	472,000	468,000
Gross expenditure..... £..	451,000	406,000	400,000
Jamaica:			
Production:			
Sugar..... hundredweight.....	1,107,000	1,437,000	1,494,000
Tobacco..... pounds.....	(⁷)	(⁸)	(⁹)
Foreign trade:			
Exports, total..... £..	2,397,000	3,068,000	3,691,000
Coffee, raw..... £..	218,000	168,000	155,000
Bananas..... £..	1,018,000	1,665,000	2,174,000
Sugar, unrefined..... £..	424,000	448,000	558,000
Ginger and pimento..... £..	101,000	161,000	151,000

¹ Canada, Bureau of statistics. The Canada yearbook, 1937, p. 237.

² Same source, p. 254.

³ Same source, p. 862.

⁴ Same source, p. 865.

⁵ About £4,000,000 annually. Statesman's Yearbook, 1937, p. 357.

⁶ Cannot be stated.

Statistics of production, foreign trade, and public finance for British possessions in the Western Hemisphere, 1933, 1934, and 1935—Continued

Country, etc.	1933	1934	1935
WEST INDIES—continued			
Jamaica—Continued.			
Foreign trade—Continued.			
Exports—Continued.			
Rum.....£	48,000	136,000	150,000
Logwood and its extract.....£	171,000	110,000	127,000
Coconuts.....£	118,000	97,000	91,000
Imports, total.....£	4,365,000	4,765,000	5,009,000
Public finance:			
Gross revenue.....£	2,037,000	2,260,000	2,121,000
Gross expenditure.....£	2,186,000	2,256,000	2,178,000
Cayman Islands:			
Foreign trade:			
Exports, total.....£	5,127	12,908	10,798
Turtles, live.....£	966	1,504	2,059
Turtle shell and skin.....£	1,285	6,350	2,758
Rope of palm straw.....£	1,403	1,374	1,373
Imports, total.....£	31,750	23,145	24,355
Public finance:			
Gross revenue.....£	7,000	6,000	13,000
Gross expenditure.....£	7,000	7,000	9,000
Turks and Caicos Islands:			
Foreign trade:			
Exports, total.....£	17,259	12,898	13,220
Salt.....£	13,489	9,780	10,482
Sponge.....£	2,031	1,949	1,241
Dried conches.....£	1,197	935	1,245
Imports, total.....£	21,900	21,114	18,984
Public finance:			
Gross revenue.....£	10,000	7,000	11,000
Gross expenditure.....£	11,000	9,000	9,000
Leeward Islands:			
Production:			
Sugar.....hundredweight.....	980,000	923,000	560,000
Cotton.....pounds.....	929,000	1,050,000	
Foreign trade:			
Exports, total.....£	559,000	552,000	545,000
Sugar.....£	458,000	435,000	388,000
Cotton, raw.....£	80,000	43,000	68,000
Lime juice and oil.....£	25,612	21,563	21,937
Limes, fresh and preserved.....£	6,245	7,287	8,427
Molasses.....£	4,362	6,990	10,431
Imports, total.....£	612,000	578,000	576,000
Public finance:			
Gross revenue.....£	250,000	258,000	274,000
Gross expenditure.....£	262,000	259,000	272,000
Trinidad and Tobago:			
Production:			
Cane sugar.....hundredweight.....	2,415,000	2,107,000	2,356,000
Asphalt.....Tons.....	111,337	92,829	134,578
Petroleum, crude.....Tons.....	1,310,000	1,492,000	1,599,000
Foreign trade:			
Exports, total.....£	3,562,000	3,772,000	4,114,000
Oils, petroleum.....£	1,492,000	2,068,000	2,148,000
Sugar.....£	1,116,000	916,000	942,000
Cocoa.....£	556,000	350,000	527,000
Asphalt.....£	151,000	166,000	204,000
Imports, total.....£	4,002,000	4,486,000	4,372,000
Public finance:			
Gross revenue.....£	1,687,000	1,710,000	1,811,000
Gross expenditure.....£	1,683,000	1,706,000	1,809,000
Windward Islands (Grenada, St. Lucia and St. Vincent):			
Production:			
Cotton (St. Vincent).....pounds.....	164,000	200,000	380,000
Foreign trade:			
Exports, total.....£	391,000	417,000	458,000
Cocoa.....£	114,000	107,000	103,000
Nutmegs and mace (Grenada).....£	59,000	74,000	98,000
Arrowroot (St. Vincent).....£	55,510	75,044	76,668
Sugar.....£	54,655	45,375	54,783
Lime oil.....£	17,056	21,005	22,037
Imports, total.....£	546,000	587,000	652,000
Public finance:			
Gross revenue.....£	287,000	297,000	309,000
Gross expenditure.....£	294,000	314,000	311,000

¹ Statesman's yearbook, 1935, p. 356; 1936, p. 361; 1937, p. 369.

Source (except for special items as noted above):

Great Britain, board of trade. Statistical abstract for the British Empire for each of the 10 years, 1926-35.

Statistics of meat production, p. 30; agriculture, pp. 31-45; mineral production, pp. 47-53.

Public revenue and expenditure, pp. 12 and 14.

Trade and commerce: Canada, pp. 156-165; Newfoundland, pp. 194-197; other countries, pp. 272-297.

Production figures are in some cases not available; the British Statistical Abstract (referred to above) uses export figures for many items in its production tables.

Mr. REYNOLDS. Mr. President, at a later date I shall endeavor to present a résumé of the revenues, the kinds of government, the square mileage of these possessions, and all other information of a general nature which might be of interest to the American people who are interested in taking over these possessions.

We will want to consider many things in connection with that subject at the time our Government gives consideration to the acquisition of these islands. I have much information before me, but I desire to put it into digested form

so that it will not be so difficult for those who desire to pursue the subject.

THE TRAGEDY OF POLAND

Mr. DAVIS. Mr. President, within the life span of a man he must endure much suffering. Man suffers physically and mentally. From the day a man is born he must struggle for existence. He is beset from all sides by the competition of his fellow men. Economic disturbances take away from him the means of a livelihood. Famine and pestilence come regularly to plague him. The elements are unpredictable and swoop down upon him in unexpected ways. Earthquakes, hurricanes, typhoons, and cloudbursts destroy his home, his land, and his family. Man-made war adds to these disasters. But, Mr. President, all these causes of suffering fade into insignificance when we consider the most devastating of all causes of suffering, namely, man's inhumanity to man. Man has recovered and will continue to recover from these blows. But it is the systematic, premeditated, calculated, and cruel destruction of one body of men by another that makes man's inhumanity to man so terrible. The human mind is capable of administering the most shameful of all inflictions.

Mr. President, the people of Europe have never been well off. The history of Europe is a history of servitude, slavery, starvation, pestilence, plagues, and exploitation of the people. It is a history of terrible and ravaging wars. There never was a plentiful supply of food in Europe. For every potato grown there is a mouth. For every blade of grass there is a lean specimen of livestock. When the elements are not kind and the crops fail, the peasant and his family face starvation.

Mr. President, there is no W. P. A. in Europe!

Somehow the people have managed to survive as a whole. It is amazing what the human body can endure. There are millions in Europe who survive on a piece of bacon and a handful of black bread a day. The most fortunate survive on a cup of potato soup, black bread, and hot water.

But, Mr. President, when war comes to a simple people, their fate is cruel. Armies must be fed, and the countryside must provide it. Lands are laid waste by explosives. Millions starve slowly but surely.

Those who have seen the screen version of *Gone With the Wind* can appreciate the tremendous and terrible development of instruments of war. Scientific discoveries are two-edged swords; they aid civilization in peace, and destroy civilization in times of war. Every generation provides more and more deadly techniques for taking the lives of millions of men, women, and children who are sacrificed on the altar of "man's inhumanity to man."

Mr. President, the war in Europe is no ordinary war. Outwardly it may appear the same as other wars. We read and hear of the devastation of towns, bombardments of highways and bridges, destruction of industries, confiscation of property and foodstuffs, and executions of human beings. But when we hear and read about the systematic destruction of a whole nation, the complete removal of a nation's people from their homeland, then we have something new and unbelievable. Mr. President, such is the unhappy fate of the Republic of Poland!

For the fourth time in history Poland has been overrun and partitioned. Nevertheless, heretofore she has risen gloriously and regained her rightful place in the world of nations. Her people have heroically cast off the yoke of the oppressors.

As a boy I was acquainted with many families of Polish descent. Some of us played together in the band of Sharon, Pa., and I remember that one of the favorite songs was *Poland Shall Never Perish*. I was brought up with this firm belief, and during the World War I had an opportunity to visit the new Poland and enjoyed very much my stay in Warsaw.

The events of the last few months have struck horror into the hearts of all of us. The mind is staggered at the thought of the cruel fate which has befallen these brave and noble people. As Americans whose government, acting with the sympathy of the entire Nation, played such an important role in the reconstitution of Polish independence, we cannot but look with dismay upon the present destruction of Poland.

But though Poland was overwhelmed, her people remained on the land, and where men have their feet placed solidly on their own land they will fight valiantly to protect and regain it. Therein lay the secret of the success of the heroic Polish people in rising from the dust into which they had been ground by the cruel heel of the conquerer and the oppressor.

Mr. President, in its struggle for liberty America received the voluntary services of many lovers of liberty from many countries. Those who loved liberty and freedom gave generously of their wealth and services. Those cosmopolitan lovers of liberty, who came from Europe to assist the colonists in their struggles for freedom and independence, are so identified with the founders of our Republic that each deserves a noble monument to his memory.

Not the least of these heroes of the American Revolution were two patriots of Poland. In the annals of the history of the American struggle for independence two names have been etched forever—Thaddeus Kosciuszko, the father of the American artillery, and Count Casimir Pulaski, the father of the American cavalry. Americans will never cease to honor the memory of those Polish patriots. It is only proper and fitting that we should find in all the books which deal with the lives of eminent Americans, a description of the lives of Kosciuszko and Pulaski. They were true Americans. America owes them and the nation that gave them birth an everlasting debt.

What has been said of the American citizenship of Lafayette, Steuben, and De Kalb is true of Kosciuszko and Pulaski. Their deeds naturalized them and we claim them as our own, though they were born in Poland. Kosciuszko became acquainted with Silas Deane, the accredited Paris commissioner of the revolted American colonies, who filled the soul of young Kosciuszko with intense zeal to fight for liberty in America and win the honors which Deane promised. He came to America in the summer of 1776 and presented himself to Washington. "What can you do?" asked the Commander in Chief. "Try me," was the laconic reply.

Washington was pleased with the young man, made him his aide, and in October of that year the Continental Congress gave him the appointment of engineer in the Army, with the rank of colonel. He was in the Continental service during the whole war and was engaged in most of the important battles in which Washington in the North, or Greene in the South, commanded the American forces. He was greatly beloved by the American officers and was cordially admitted to membership in the Society of the Cincinnati. At the close of the war he returned to Poland, whose sovereign had permitted him to draw his sword in America, and in 1789 was made a major general by Poniatowski.

In the Polish campaign against Russia in 1792, Kosciuszko greatly distinguished himself; and in the noble attempt of his countrymen, in 1794, to regain their lost liberty, he was chosen general in chief. Soon afterward, at the head of 4,000 men, he defeated 12,000 Russians. Invested with the powers of a military dictator, he boldly defied the combined armies of Russia and Prussia, numbering more than 150,000 men. At length success deserted him; and, in October 1794, his troops were overwhelmed in a battle about 50 miles from Warsaw. He was wounded, fell from his horse, and was made prisoner, exclaiming, "The end of Poland!"

Hope for a season bade the world farewell,
And Freedom shrieked as Kosciuszko fell!
—CAMPBELL.

The hero was cast into prison, in St. Petersburg, by the Empress Catherine. When she died, the Emperor Paul liberated him, and presented him with his own sword. Kosciuszko courteously refused the blade, and then uttered that terrific rebuke for the destroyers of Poland—that noble sentiment of a patriot's heart—"I have no longer need of a sword, since I have no longer a country to defend." He never again wore a military sword.

In the summer of 1797 Kosciuszko visited America, and was received with distinguished honors. Congress awarded him a life pension, and gave him a tract of land, for his services during the Revolutionary War. The following year

he went to France, purchased an estate near Fontainebleau, and resided there until 1814. He went to Switzerland, and settled at Soleure, in 1816. Early the following year he abolished serfdom on his family estates in Poland.

On the 16th of October 1817 that noble patriot died at the age of 61 years. His body was buried in the tomb of the ancient kings of Poland at Cracow with great pomp; and at Warsaw there was a public funeral in his honor. The Senate of Cracow decreed that a lofty mound should be erected to his memory on the heights of Bronislawad, and for 3 years men of every class and age toiled in the erection of that magnificent cairn, 300 feet in height. The cadets of the West Point Military Academy erected an imposing monument there to the memory of Kosciuszko in 1829 at a cost of \$5,000. His most enduring monument is the record of his deeds on the pages of history.

Count Casimir Pulaski, "The Father of the American Cavalry," came to America with a halo of romance, and was a tower of strength in the field. No general evoked from his troops more heroism than did this noble Pole. Lafayette referred to Pulaski as "one of the most devoted patriots and worthy soldiers in the cause and service of the United States. For this he gloriously laid down his life."

After years of gallant fighting to defend his country from the invasion of the Russians, Prussians, and Austrians, Pulaski went to France in 1775. In the French capital he came in contact with Silas Deane and Benjamin Franklin. He eagerly expressed the desire to enter the American service and fight for human freedom, this time in a strange country and against a new foe.

As Henry Williams said at the laying of the cornerstone of the Savannah monument to Pulaski in 1853:

It stirred the heart of Pulaski like the voice of a battle trumpet. It was a struggle for liberty. It was his cause, whoever the people and wherever the scene of conflict.

A year passed before arrangements could be perfected. With Lieutenant Colonel Kotkowski, another Polish patriot, he sailed for America in June 1777. Under date of May 29, 1777, Franklin wrote to General Washington, as follows:

Count Pulaski, of Poland, an officer famous throughout Europe for his bravery and conduct in defense of liberties of his country against the three great invading powers of Russia, Austria, and Prussia, will have the honor of delivering this into Your Excellency's hands. The courts here have encouraged and promoted his voyage from an opinion that he may be highly useful to our service. Mr. Deane has written so fully concerning him that I need not enlarge, and I add my wishes that he may find in our armies under Your Excellency occasions of distinguishing himself.

Thus began a short but brilliant association with George Washington. In less than a month after Pulaski had landed in New England he had presented his letters and had held conferences with Washington at sufficient length to convince the American Commander in Chief that he was one of the foreigners who came with high motives, and whose genuine ability, experience, and character could be used to undoubted advantage. Washington accepted him without reserve.

The one outstanding fact about Pulaski was his eagerness for active service. He proposed to John Hancock, President of the Continental Congress, a plan for developing the Cavalry. Hancock accepted it, and Pulaski set to work to make the Cavalry a potent factor in the Army. On more than one occasion the Cavalry proved the determining factor in the battles with the English. Historian Ramsay says:

At Brandywine, Pulaski was a thunderbolt of war and always sought the post of danger as the post of honor.

After the Battle of Brandywine, at Warren Tavern, Pulaski saved the Army of Washington from a sudden surprise that might have proved fatal. At the head of his cavalry, while reconnoitering, he came upon a whole army of British near Warren Tavern and harassed the enemy, thus impeding their progress, and hastily gave the information to Washington, who then prepared to meet the enemy.

During the Battle of Savannah, Pulaski, seeing the apparent confusion and realizing that all was not well, drove up at the head of his cavalry to where the French were, to reinforce and encourage them, thinking that he might be able to get to the rear of the enemy through some opening. Dashing madly

ahead into a withering flame of shot and shell, he himself was struck in the groin by a swivel shot, and fell from his horse fatally wounded.

Thus ended the life of one who was the incarnation of the best traditions of Polish chivalry. He shared its virtues and its weaknesses. Proud and unyielding, patriotic, and unselfish he formed a worthy member of the gallant band of men who came to help America in the Revolution; and none deserves a higher rank in the minds and hearts of the American people. He fought and died for liberty, and maintained a firm sense of his personal dignity and obligations, and a fearless advocacy of his code to all lands and all epochs.

In his own words Pulaski had said:

Honor and a true desire of distinguishing myself in defense of liberty was the only motive which fired my breast for the cause of the United States.

He wrote to Congress:

I am a republican whom the love of glory and the honor of supporting the liberty of the Union drew hither.

At the young age of 38 Pulaski died as he had lived, a noble and undaunted warrior, fighting the battles of liberty and of the Republic. He sacrificed himself, all the years of his young life, his fortune, his ancestral dignity, his lofty spirit, his splendid genius, and all his earthly hopes, for liberty, justice, and humanity. For these things he gave all he had—his martyred life.

America has not been unmindful of its debt to Pulaski. Washington, D. C., and Savannah, Ga., have erected monuments to his memory. The Pulaski Skyway connecting New Jersey and New York City is a tribute of gratitude. Within only a few miles of my home town of Sharon, Pa., is a town bearing the name Pulaski, Pa. These are but a few of the material contributions dedicated to the everlasting memory of Pulaski.

Mr. President, the story of Polish contributions to American and world history and culture is long and glorious. It is sad indeed to watch a nation which produced Kosciuszko, Pulaski, Pilsudski, Paderewski, Rubenstein, Chopin, Mme. Curie, and others, go down into oblivion. Time does not permit me to outline their contributions. They are well known. All have contributed materially to music, science, military tactics, technology, and the many arts. Their heritage is rich, and we have been the fortunate recipients.

But, Mr. President, what is actually happening today in the land which gave America the services of these men? No one seems to know exactly, for the Nazi conqueror and the Soviet invaders have done their job of crushing a people so completely that they dare not let the world know of their craft. Oh, yes, Mr. President, Nazi efficiency is systematically and methodically driving out of Poland her people. Nazi efficiency is slowly starving the people of Poland so that Nazi soldiers might live. Yes, Nazi ruthlessness is eradicating a people from the face of the earth. Poland has become a nation of vagabonds.

A publication entitled "Warschauer Zeitung," the official organ of the military government of Germany in Hitler's half of Poland, announces that:

The mistakes of the German, Russian, and Austro-Hungarian empires, which left the Polish hopes alive for more than a century and finally led to the resurrection of the Polish state, are not to be repeated.

A project outlined on July 5, 1918, by Paul von Hindenburg to crush Polish aims for nationality and expropriate Polish property has been revived and damnably improved upon. At that time Hindenburg said:

It is necessary once and for all to remove all bases for Polish ambitions and make them dependent on the support of the German Empire.

Some 19,000,000 people were living in the 100,000 square miles of Poland Hitler now claims for his own. Of these, about 900,000 were of Germanic strain. There were about 2,000,000 Jews. The rest were Poles.

Now Hitler is calling home from Latvia, Estonia, Russia, Rumania, and Hungary all those whom he defines as Germans, even unto the seventh generation. They are coming back to take over the 100,000 square miles of Poland that

Hitler has annexed to the Reich. Some 7,000,000 Poles and 1,000,000 Jews are going to be pushed out of the richest parts of the western provinces to make room for them.

A wedge of Poland to the south center, lying between Warsaw and the Slovak border, consisting of roughly 58,000 square miles of already overtaxed land in the provinces of Warsaw, Kielce, Lublin, and Cracow, will have added to its present population of 11,000,000 the 8,000,000 dispossessed.

How these 19,000,000 people are to live is not explained in the miserable *Warschauer Zeitung*. But there can be only one answer: Somebody is going to starve and leave this earth an emaciated, horrible body. We can be sure that those affected will not be those who came in from other countries to take over the land.

About 50 percent of the homes of Poland were destroyed when the Nazis stabbed through to Lwow in September. There never was adequate housing, even in peace; and the land has always had more than enough weight of people on it. Even without the new millions, many of those who have always lived there would have starved this winter, because the war ruined the harvest; and when there is no harvest people die in that part of the world. There is no W. P. A. in Poland! Nor is Hitler likely, with the blockade bearing down upon the Germans, to hesitate much before expropriating whatever food the Poles accumulate from any source.

I am informed that in Nazi-occupied Poland some 19,000,000 Poles, including about 2,000,000 Jews, are now exposed to death by executions, starvation, or disease. Although Germany and Russia have drawn screens about their activities in Poland, enough has leaked out through neutrals, and the few who have escaped from that area, to reveal a dismal picture.

Polish spokesmen here are convinced that the German resettlement scheme is nothing more than "a systematic program for extermination of the Polish people." One of the tragedies of this forced mass migration is that even the Germans whom the Nazis are uprooting and moving into Poland are, for the most part, bitterly opposed to the project. Most of them have lived where they are now living for generations—longer than most Americans of German origin have lived in this country.

Mr. President, the people of Poland need the assistance of the world, and especially of the United States, if they are to survive. It is not a question of providing munitions of war. The people of Poland need munitions of life. It is true that there are millions within our own country who could use more aid from the Government and from citizens through private initiative. I always have been and always will be for adequate aid to our needy. But it would be selfish to close our eyes to the slow, miserable death of our brethren in other countries. That has never been the policy of this Nation. We extended aid to Belgium during the World War and to all other European countries after the war. American charity over a long period fed 1,500,000 German children daily. Robert Burns put it aptly when he said, "A man's a man for a' that and a' that!" The love man has for his fellows in distress must transcend the physical limitations of geography.

The American Red Cross and the Commission for Polish Relief have responded nobly to the aid of Poland. But they have met many difficulties. For 4 months neither has been permitted access to German-occupied Poland. Access has been granted in the city of Cracow only. It has been only in the last few days that the Nazi Government has granted limited access into Nazi-occupied Poland. Why should messengers of mercy be denied the privilege of administering aid to the destitute and starving? Mr. President, there must be a sinister motive. Is it not possible that conditions are so terrible that the Nazi government does not dare to reveal them to the outside world?

Both relief organizations are rightfully demanding that the distribution of supplies be administered by their representatives; and until the principle of American supervision is accepted by the German Government, the British and Allied Governments have informed both agencies that they will not permit one pound of supplies to go through the blockade to Poland. It remains to be seen how and to what extent the

Nazi Government will honor its limited permission to the American Red Cross and the Commission for Polish Relief to administer their own relief.

It is no longer a secret to the world that tremendous changes have taken place in Poland during the past 4 months. It is known that over one-third of the city of Warsaw was destroyed; that its 1,200,000 inhabitants are struggling to survive under most difficult food conditions; that this is the most bitter winter which Poland and all Europe have had in 50 years; that the transport of food and fuel is extremely difficult, following the disorganization of war; that millions of people, on account of economic dislocation, are without employment in Poland; that they do not have the means of paying for food, shelter, and fuel; that the hundreds of thousands of people receiving soup in various citizens' relief kitchens throughout the country represent only a fraction of those in need; that the financial means of carrying on this local relief for even a fraction of the needy are nearly exhausted, and that hundreds of thousands of the population of former Poland are being moved from one territory to another, in the process of which they lose all basis for sustenance and existence.

The relief program which is envisaged for the stricken population of Poland foresees the furnishing of supplies on a scale of \$2,000,000 per month, such action to be supported jointly by private charity and the grants of governments. Every week which passes means the loss of thousands of lives because of cold and hunger. The American Red Cross advises that the principal needs are for medicines, surgical instruments and hospital equipment, and also for warm clothing, blankets, bedding, and shoes.

Mr. President, private contributions have been the only source of aid to Poland. As of February 17, the American Red Cross' expenditures and commitments for Polish relief amounted to more than \$397,000. This expenditure has been for relief in Poland and in Rumania, Yugoslavia, Hungary, Lithuania, and Latvia where Polish refugees have been receiving assistance following the German occupation of Poland. The American Red Cross has also shipped clothing and hospital supplies produced by volunteers working in Red Cross chapters valued at more than \$26,000. This estimated value represents only the cost of materials used in the production of these supplies and does not include any money value placed on the labor of thousands of volunteers engaged in this effort.

For the same purposes the Commission for Polish Relief is administering private contributions amounting to more than \$125,000.

Mr. President, the most inspiring spectacle I have seen in this country has been the manner in which the American people have responded to the aid of their distressed fellowmen. Nowhere in the world is there such a noble response. Our people play no favorites. Regardless of color, nationality, creed, or government, those who are in vital need receive our aid. Our reward will be received on that far and green shore of the Great Beyond. There must be a reward far more beautiful than that which this world can provide. The men of government and the men of production must come together to provide the necessary relief.

EXTENSION OF ANTIPERNICIOUS POLITICAL ACTIVITIES ACT

The PRESIDING OFFICER. The question is on the motion of the Senator from New Mexico [Mr. HATCH] that the Senate proceed to the consideration of a bill the title of which will be stated.

The LEGISLATIVE CLERK. A bill (S. 3046) to extend to certain officers and employees in the several States and the District of Columbia the provisions of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939.

Mr. HATCH. Mr. President, in order to clear up the parliamentary situation, let me say that I understand there is no objection to making Senate bill 3046 the unfinished business. So at this time I ask unanimous consent that Senate bill 3046 be made the unfinished business.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to the consideration of the bill (S. 3046) to extend to certain officers and employees in the several States and the District of Columbia the provisions of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, which had been reported from the Committee on Privileges and Elections with amendments.

Mr. HATCH. I ask unanimous consent that the committee amendments be considered first.

The PRESIDING OFFICER. Without objection, the committee amendments will be considered first.

Mr. McNARY. Mr. President—

Mr. BARKLEY. Mr. President, may I ask the Senator from New Mexico if he wishes to go on with the bill this afternoon?

Mr. HATCH. I should much prefer not to go on this afternoon but to wait until tomorrow.

Mr. BARKLEY. It is agreeable to me now to move an adjournment or recess until tomorrow.

Mr. McNARY. Mr. President, I was only going to observe that the request for the consideration of committee amendments first is not quite in order for a legislative bill. I am not going to urge that point, but there should be an explanation made of the bill before it reaches the stage of amendment. I think it is quite proper that the Senate should now adjourn for the day, but at this time I want to say to the Senator from New Mexico that tomorrow I hope, when the Senate convenes at 12 o'clock, he will make an explanation of the provisions of his bill.

Mr. HATCH. Mr. President, if the Senator will yield, I will say that it is my intention on tomorrow when the Senate convenes to request that the bill be considered section by section and to explain just what it does and in what manner we have approached the problem.

Mr. MILLER. Mr. President, I send to the desk an amendment which I intend to propose to Senate bill 3046 and ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

Mr. NEELY. Mr. President, I offer an amendment in the nature of a substitute for Senate bill 3046 and ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

REIMBURSEMENT OF STATES FOR LOSS BY FEDERAL LAND OWNERSHIP

Mr. O'MAHONEY. Mr. President, Members of this body and of the other House have on numerous occasions in the past expressed a great deal of interest in the problem of the reimbursement to the States for tax revenue lost by reason of the Federal ownership of land. During many years the Congress has considered this problem and numerous acts have been passed, as, for example, when the national forests were created it was provided that a portion of the revenues from the national forests should be paid to the States in lieu of taxation upon the lands. Likewise, when the Congress passed the General Leasing Act, affecting mineral lands, oil and gas lands, upon the public domain, a provision was written into the law that a certain proportionate share of the royalties derived therefrom should be paid to the States in which the leased deposits existed.

This morning the junior Senator from Arizona [Mr. HAYDEN] and I introduced a bill to provide, for example, that a collection which the Government of the United States is about to make by reason of a lawsuit affecting the Elk Hills naval reserve in California shall go to the reclamation fund.

During the past session several bills were introduced, some in the Senate and some in the House of Representatives, designed to provide a standard method of substitute payment to States. These measures, I understand, are now under consideration by the Federal Real Estate Board, from which a report may be expected. The Federal Real Estate Board was created by the President for the purpose of coordinating the methods of handling lands now under the direction of different administrative agencies.

Today I have a letter from the Chief of the Soil Conservation Service dealing with the distribution of payments to the

States in lieu of taxation under title III of the Bankhead-Jones Act. It is a matter of such importance, Mr. President, that I ask unanimous consent that, as a part of my remarks in the body of the RECORD, there may be printed a letter from Dr. Bennett to myself, together with a copy of a letter from the Acting Secretary of Agriculture to the Secretary of the Treasury, and a table showing the distribution of the payment of 25 percent of the receipts under the farm-tenant provisions of the Bankhead-Jones Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

DEPARTMENT OF AGRICULTURE,
SOIL CONSERVATION SERVICE,
Washington, D. C., March 2, 1940.

Hon. JOSEPH C. O'MAHONEY,
United States Senate.

DEAR SENATOR O'MAHONEY: In accordance with your verbal request of March 1, the following information is furnished concerning the payment to counties under title III of the Bankhead-Jones Farm Tenant Act:

In determining the payments to counties, the net revenue for each project is arrived at by defining net revenue as the gross receipts incident to the use of the land, reduced only by the applicable refunds or adjustments, which is in accordance with the Comptroller General's decision. The 25 percent of net revenue payable to counties, as provided in section 33 of title III of the above-named act, is distributed to the counties within which the project is located on the basis of the acreage held under title III within each county as of the end of the year.

We are enclosing a copy of the statement showing the recommended distribution of returns to counties and a copy of the letter from the Acting Secretary of Agriculture to the Secretary of the Treasury recommending the distribution of payments to counties under this program for the calendar year 1938. It will be noted that the total recommended payments to counties was \$11,513.46 on an acreage of 4,937,481, which is equivalent to 2.33 mills per acre. The distribution of the payments to counties for the calendar year 1939 will total approximately \$30,000 on an approximate acreage of 5,800,000, which is equivalent to 5.2 mills per acre. It is currently estimated that the return to counties for 1940 in total

will approximate \$38,500 on 7,000,000 acres, which is equivalent to 5.5 mills per acre.

We are advised by the General Accounting Office that the certificates of settlement for the 1938 payments in excess of \$1 have been sent to the Treasury Department for actual issuance of checks so that the payments to the counties should actually be made in a very short time. The Service will be recommending the payments to counties for the calendar year 1939 very soon.

Sincerely,

H. H. BENNETT, Chief.

NOVEMBER 14, 1939.

The honorable the SECRETARY OF THE TREASURY.

DEAR MR. SECRETARY: In accordance with the procedure prescribed by the General Accounting Office for carrying out the provisions of section 33 of title III of the Bankhead-Jones Farm Tenant Act (Public, No. 210, 75th Cong., approved July 22, 1937), which requires that 25 percent of the net revenues received each calendar year from the use of land held by the Secretary of Agriculture under this title of the act will be paid to the counties in which any land is so held, there is submitted, in duplicate, a statement showing the recommended distribution, by counties, of 25 percent of the net receipts for the calendar year 1938. The recommended distribution of the 25 percent of net receipts to counties, as shown on the attached statement, has been determined on the basis of the acreage of each county in each project.

It is recommended that the distribution of 25 percent of the net receipts for the calendar year 1938, which, after reconciliation, amount to \$11,513.46, be made to counties as provided in the attached statement and in accordance with the procedure prescribed by the General Accounting Office in letters to the Secretary of Agriculture dated December 7, 1937, and July 7, 1939.

In this connection, it is requested that a transfer and counter-warrant be issued transferring the sum of \$46,053.90 as follows:

DEBIT		
126026	Receipts from submarginal-land program, Farm Tenant Act.....	\$46,053.90
CREDIT		
126204	Receipts due counties from submarginal-land program, Farm Tenant Act (name of State and county) (special fund, 25 percent).....	11,513.46
125476	Proceeds from submarginal-land program, Farm Tenant Act (75 percent).....	34,540.44

Sincerely,

HARRY L. BROWN, Acting Secretary.

Distribution to counties of receipts under the Bankhead-Jones Farm Tenant Act (Public, No. 210, 75th Cong., approved July 22, 1937) for the calendar year 1938

State	Project symbols	Adjusted deposits	25 percent	Total acreage by projects, Dec. 31, 1938	County	County symbols	Approximate acreage by counties	Ratio of county acreage to project acreage	Amounts due counties
Alabama	0.0102	\$479.50	\$119.88	25,709.37	Coffee	0.0116	8,859.41	34.46	\$41.31
Do.					Dale	.0123	16,849.96	65.54	78.57
Do.	.0104	29.00	7.25	81,951.92	Bibb	.0104	41,588.79	50.75	3.68
Do.					Hale	.0132	25,762.66	31.44	2.29
Do.					Perry	.0152	6,714.00	8.19	.59
Do.					Tuscaloosa	.0162	7,886.47	9.62	.69
Arkansas	.0301	229.00	57.25	68,388.83	Logan	.0342	50,982.04	74.55	42.68
Do.					Yell	.0375	17,406.79	25.45	14.57
Do.	.0302	1,357.11	339.28	14,697.00	Benton	.0304	5,975.93	40.66	137.95
Do.					Washington	.0372	8,721.07	59.34	201.33
Do.	.0303	15.00	3.75	19,790.96	Lee	.0339	10,535.83	53.24	2.00
Do.					Phillips	.0354	9,255.13	46.76	1.75
Do.	.0304	4.00	1.00	9,775.86	St. Francis	.0368	9,775.86	100.00	1.00
Do.	.0305	41.70	10.42	13,824.94	Prairie	.0359	13,824.94	100.00	10.42
Do.	.0306	67.05	16.76	27,514.16	Crawford	.0317	26,154.16	95.06	15.93
Do.					Washington	.0372	1,360.00	4.94	.83
Colorado	.0501	64.57	16.14	3,865.51	El Paso	.0521	40.00	1.03	.17
Do.					Teller	.0560	3,825.51	98.97	15.97
Do.	.0502	1,800.00	325.00	80,096.29	Weld	.0562	80,096.29	100.00	325.00
Do.	.0503	58.82	14.70	155,688.15	Las Animas	.0536	1,325.14	.85	.12
Do.					Otero	.0545	154,363.01	99.15	14.58
Florida	.0801	581.82	145.38	239,132.12	Leon	.0837	90,185.24	37.71	54.82
Do.					Wakulla	.0865	148,946.88	62.29	90.56
Georgia	.0901								
Do.	.0902								
Idaho	1.3501								
Illinois	.1102	1.00	.25	13,216.97	Jackson	.1239	40.00	.30	.01
Do.					Union	.1291	283.41	2.15	.01
Do.					Williamson	.1301	12,893.56	97.55	.24
Indiana	.1201	70.00	17.50	27,011.23	Martin	.1450	27,011.23	100.00	17.50
Louisiana	.1601	711.50	177.88	9,202.50	Claiborne	.2014	314.69	3.42	6.08
Do.					Webster	.2090	8,887.81	96.58	171.89
Do.	.1802	225.82	56.45	17,951.01	Claiborne	.2014	17,951.01	100.00	56.45
Maryland	.1801								
Do.	.1802	60.00	15.00	7,723.08	Somerses	.2220	88.00	1.14	.17
Do.					Wicomico	.2223	831.36	10.76	1.61
Do.					Worcester	.2224	6,803.72	88.10	13.22
Michigan	.2001	85.96	21.49	40,666.82	Arenac	.2406	360.00	.89	.19
Do.					Clare	.2418	3,847.50	9.46	2.03
Do.					Cheboygan	.2416	3,614.42	8.89	1.90
Do.					Crawford	.2420	7,581.37	18.64	4.00
Do.					Gladwin	.2426	368.57	.91	.20
Do.					Kalamazoo	.2440	4,802.29	11.81	2.54
Do.					Missaukee	.2457	2,925.77	7.19	1.55
Do.					Montmorency	.2460	4,674.29	11.49	2.47
Do.					Ogemaw	.2465	4,353.56	10.70	2.30
Do.					Oscoda	.2468	2,543.91	6.26	1.35

¹ See Oregon.

Distribution to counties of receipts under the Bankhead-Jones Farm Tenant Act (Public, No. 210, 75th Cong., approved July 22, 1937) for the calendar year 1938—Continued

State	Project symbols	Adjusted deposits	25 percent	Total acreage by projects, Dec. 31, 1938	County	County symbols	Approximate acreage by counties	Ratio of county acreage to project acreage	Amounts due counties
Michigan					Presque Isle	0.2471	1,126.55	2.77	\$0.60
Do.					Roscommon	.2472	4,468.59	10.99	2.36
Do.					Allegan	.2403	29,131.28	100.00	8.83
Minnesota	\$0.2002	\$35.32	\$8.83	29,131.28	Beltrami	.2504	1,656.91	2.30	1.45
Do.	.2101	253.00	63.25	72,194.31	Lake of the Woods	.2539	45,598.93	63.16	39.95
Do.					Roseau	.2568	24,938.47	34.54	21.85
Do.	.2102	61.00	15.25	17,519.00	Beltrami	.2504	40.00	.23	.04
Do.					Koochiching	.2536	17,479.00	99.77	15.21
Mississippi	.2201	411.01	102.75	79,591.05	Choctaw	.2610	9,947.64	12.50	12.85
Do.					Noxubee	.2651	5,595.51	7.03	7.22
Do.					Oktibbeha	.2652	18,299.99	22.99	23.62
Do.					Winston	.2679	45,747.91	57.48	59.05
Do.	.2202	183.63	45.90	23,332.40	Chicksaw	.2609	22,813.88	97.78	44.88
Do.					Pontotoc	.2657	518.52	2.22	1.02
Montana	.2401	81.50	20.37	913,866.79	Blaine	.2903	186,215.79	20.38	4.15
Do.					Phillips	.2937	343,434.74	37.58	7.66
Do.					Valley	.2954	384,216.26	42.04	8.56
Do.	.2402	697.50	174.38	231,085.26	Musselshell	.2934	95,504.83	41.33	72.07
Do.					Petroleum	.2936	135,580.43	58.67	102.31
Do.	.2403	3,412.20	853.05	373,535.45	Prairie	.2941	373,535.45	100.00	853.05
Nebraska	.2501	3,213.20	803.30	96,062.00	Dawes	.3023	48,931.47	50.94	400.20
Do.					Sioux	.3082	47,131.13	49.06	394.10
New Mexico	.2901	1,787.16	446.79	74,811.50	Rio Arriba	.3419	1,520.00	2.03	9.07
Do.					Taos	.3427	73,291.50	97.97	437.72
New York	.3001				Albany	.3501	2,073.10	10.24	1.86
Do.	.3002	72.51	18.13	20,039.13	Allegheny	.3502	2,999.35	10.33	1.87
Do.					Broome	.3504	351.13	1.21	.22
Do.					Chautauqua	.3507	1,153.25	3.97	.72
Do.					Delaware	.3513	6,467.41	22.27	4.03
Do.					Jefferson	.3523	1,221.28	4.21	.76
Do.					Livingston	.3526	2,706.79	9.32	1.69
Do.					Madison	.3527	2,671.57	9.20	1.67
Do.					Ontario	.3535	1,130.57	3.89	.71
Do.					Oswego	.3558	6,276.34	21.61	3.92
Do.					Yates	.3562	1,088.34	3.75	.68
Do.	.3004	15.00	3.75	6,320.96	Jefferson	.3523	6,320.96	100.00	3.75
North Carolina	.3101	601.00	160.25	51,580.64	Moore	.3663	2,579.40	5.00	7.51
Do.					Richmond	.3677	28,655.65	55.56	83.48
Do.					Scotland	.3683	20,345.59	39.44	59.26
Do.	.3102	38.50	9.63	25,222.87	Bladen	.3699	25,222.87	100.00	9.63
North Dakota	.3201	903.16	225.79	397,523.44	McKenzie	.3827	397,523.44	100.00	225.79
Do.	.3202	608.00	152.00	233,772.01	Billings	.3804	169,707.80	72.60	110.35
Do.					Golden Valley	.3817	64,064.15	27.40	41.65
Do.	.3203	2,763.83	690.96	60,820.63	Ransom	.3837	38,749.53	63.71	440.21
Do.					Richland	.3839	22,071.10	36.29	250.75
Oklahoma	.3401	10.00	2.50	17,770.80	Noble	.4052	1,225.68	6.90	.17
Do.					Payne	.4060	16,545.12	93.10	2.3
Oregon	.3501				Lane	.4119	19,133.49	31.18	144.77
Do.	.3503	1,857.24	464.31	61,367.42	Lincoln	.4120	19,758.23	32.20	149.51
Do.					Tillamook	.4128	18,843.24	30.70	142.54
Do.					Yamhill	.4135	3,632.46	5.92	27.49
Pennsylvania	.3601	24.00	6.00	13,197.22	Bedford	.4205	6,101.74	46.23	2.78
Do.					Huntingdon	.4231	3,527.62	26.73	1.60
Do.					Perry	.4250	3,567.96	27.04	1.62
South Carolina	.3801	60.00	15.00	17,905.91	Anderson	.4404	5,085.40	28.41	4.26
Do.					Pickens	.4439	6,744.21	37.66	5.65
Do.					Oconee	.4437	6,076.30	33.93	5.09
South Dakota	.3901	10,981.73	2,745.43	478,297.37	Custer	.4516	47,154.53	9.86	270.70
Do.					Fall River	.4523	208,676.83	43.63	1,197.83
Do.					Jackson	.4535	89,771.81	18.77	515.32
Do.	.3902	2,476.96	619.24	97,890.60	Pennington	.4551	132,094.20	27.74	761.58
Do.					Jones	.4537	17,306.30	17.68	109.48
Do.					Lyman	.4542	53,944.37	55.11	341.26
Do.	.3903	1.00	.25	2,835.37	Stanley	.4557	26,639.93	27.21	168.50
Do.	.4003	4.00	1.00	10,674.72	Dewey	.4520	2,835.37	100.00	.25
Tennessee					Chester	.4612	5,843.08	54.74	.54
Do.					Hardeman	.4635	4,831.64	45.26	.45
Texas	.4101	1,298.00	324.50	12,277.73	Pannin	.4774	12,277.73	100.00	324.50
Washington	.4501	192.26	48.06	240,604.15	Pend Oreille	.5422	122,600.88	50.96	24.50
Do.					Stevens	.5428	118,003.27	49.04	23.57
Wisconsin	.4701	10.00	2.50	8,762.33	Bayfield	.5604	7,964.82	90.90	2.27
Do.					Sawyer	.5657	797.51	9.10	.23
Do.	.4703	12.00	3.00	8,960.20	Florence	.5620	200.00	2.23	.07
Do.					Forest	.562	7,723.61	86.20	2.58
Do.					Vilas	.5663	1,036.59	11.57	.35
Do.	.4704	10.00	2.50	68,839.38	Jackson	.5628	1,522.10	2.22	.06
Do.					Juneau	.5630	51,479.86	74.78	1.87
Do.					Monroe	.5642	13,658.91	19.84	.49
Do.					Wood	.5671	2,178.51	3.16	.08
Do.	.4705	5.00	1.25	53,274.08	Jackson	.5628	53,274.08	100.00	1.25
Wyoming	.4801	8,592.64	2,148.16	273,208.09	Campbell	.5703	124,939.81	45.73	982.35
Do.					Converse	.5705	106,639.66	39.03	838.43
Do.					Crook	.5706	320.00	.12	.28
Do.					Weston	.5723	41,308.62	15.12	324.80
Subtotal		46,053.90	11,513.46	4,937,481.41			4,937,481.41		11,513.46
Reconciliation: South Carolina	.3802								
Total		46,053.90	11,513.46	4,937,481.41			4,937,481.41		11,513.46

DESTITUTION AND UNEMPLOYMENT IN THE UNITED STATES

MR. REYNOLDS. Mr. President, I have just had a private conversation with my good friend the senior Senator from the great Commonwealth of Pennsylvania [Mr. DAVIS] in reference to the remarks he made in the Senate this afternoon regarding the Poles. I think it is highly commendable

of the Senator from Pennsylvania to speak of the distress in foreign lands, and I commend his action to every American citizen who speaks out in behalf of the poor, the unfortunate, the undernourished in all parts of the world.

That reminds me that only a few days ago I observed through the columns of the press that Mr. Hoover—who was

succeeded by President Roosevelt—had appeared at the Capitol, before a committee, at which time he made a request for \$20,000,000 in the form of an appropriation from the public moneys of the United States, from our Treasury for the purpose of feeding the unfortunates abroad now and those who will be found there after the end of the present war. I commend Mr. Hoover. I served a short term under Mr. Hoover. As a matter of fact, I served during the last "Lame Duck" Congress, at which time Mr. Hoover was President, and at which time Mr. Curtis, of Kansas, was our very able Vice President.

The article to which I refer reads:

CONGRESS ASKED BY HOOVER TO HELP FEED POLES—CITES FAMINE PERIL AT HOUSE HEARINGS

(By Carl Warren)

Herbert Hoover, once more in the role of the "great humanitarian"—a part which served as his springboard to the White House in 1928—seized the spotlight yesterday as unofficial sponsor of American relief for war victims in Poland as well as Finland. Asserting "the whole of Europe will be a starvation spot" after the war, Hoover urged Congress to start a food-shipment program by immediately appropriating \$10,000,000 to \$20,000,000.

For 45 minutes the somber-voiced, slow-spoken ex-President who heads his own Finnish relief organization, testified at a jam-packed hearing of the House Foreign Affairs Committee.

Seven million Poles, he said, face destitution this spring. He conferred with Polish and Finnish diplomats before returning to New York City at 4 p. m.

Mr. President, I think it is highly commendable and most laudable for the ex-President of the United States to be interesting himself in feeding the poor and looking after the destitute abroad; but I say that our first duty is to help the unfortunates of the United States of America. When I read that article in the newspaper I turned page after page, and what did I find in the same issue? Let us see about some of the destitute in this country. I think the time has come when we ought to think, at least a little bit, about the unfortunates in this country of ours.

Not so long ago the First Lady of the Land made a surprise visit to one of the public institutions of the District of Columbia, designed for the care of the aged and the infirm, at what is known as Blue Plains; and she remarked at the time that conditions at the institution were an outrage against decency. As a matter of fact, an investigation followed; and what did I find in the same newspaper from which I clipped this article?

Mr. CHAVEZ. Mr. President, may I interrupt the Senator for a moment?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New Mexico?

Mr. REYNOLDS. Certainly; I shall be glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. Only this morning I received a letter from a widow in my State, an excellent lady, whom I have known for years, in which she called my attention to the fact that she had seen the article the Senator referred to. She stated that she has tried hard to get work from the N. Y. A. and other agencies. She has three children, but she cannot get work; and she asked me what Congress is going to do about feeding people in the United States before we take any action toward feeding people in Europe.

Let me add that within striking distance of this very room in the city of Washington, the Capital of the most potent and rich nation in the world, there is a schoolhouse at Massachusetts Avenue and First Street. Any Senator who will go there on any Thursday will find ladies from all over the city of Washington, mending and repairing old clothes, not for the lowly Negroes but for the white children of the city of Washington; and still we talk about being sorry for the people elsewhere.

Mr. REYNOLDS. I thank the Senator very much for his contribution.

Mr. President, in that connection, as I was about to relate, in the same issue of the newspaper I found the following:

UNEMPLOYMENT RISES 1,000,000 IN MONTH

Curtailed industrial activity and trade brought a sharp increase in unemployment and relief during January, Work Projects Commissioner F. C. Harrington said today.

Unemployment rose 1,000,000 over December as a result of seasonal influences, decreased agricultural employment, and a general slump in industrial activity. Mr. Harrington emphasized that the total unemployment approximated the level reached last summer. He did not give total unemployment figures because of divergent estimates.

Although W. P. A. rolls were expanded to absorb approximately 113,000 unemployed men and women, Mr. Harrington said, total W. P. A. enrollees at the end of the month numbered 700,000 less than a year ago. Enrollment totaled 2,265,000 on January 31, an increase of 500,000 since September.

"The effect of this decline in employment is to wipe out practically all the gains which have been made since August," Mr. Harrington said. "This has thrown an increasingly heavy burden on local relief agencies at a time when they are struggling with the problems created by the almost unprecedented cold weather."

Mr. President, of course, it is pathetic to think about the people in Europe who have been placed in an unfortunate position as a result of the fighting that is going on there; but let me show what else I clipped from the same newspaper:

CHILD OF POVERTY DEAD IN MYSTERY—MOTHER OF VICTIM, 11, WAS DENIED RELIEF

KANSAS CITY, KANS., March 1.—Police early today abandoned a theory that 11-year-old Harry Larsen hanged himself and announced: "It definitely looks like murder."

Detectives Holly Parker and Patrick J. Mallory began questioning members of the family after police earlier said they believed the boy had taken his own life because "I am tired of eating mush, and that was about all we had."

Harry was found strangled to death in his bedroom by a school friend. A knotted undershirt tied to his neck was attached to a door knob.

Palmer and Mallory said they had found "new evidence" that caused them to drop the theory that the son of widowed Mrs. Agnes Larsen, mother of seven children, had committed suicide.

The detectives said they had learned that Harry, next to the youngest, had "had some trouble with other members of the family," but they refused to elaborate.

Police said neighbors who were questioned told them that only the eldest child was working "for about five or six dollars a week." They said they had heard Harry say, "I'd about as soon be dead as eat mush all the time."

Mrs. Larsen had been unable to get relief because her oldest child, Orville, had a hotel job. The dead boy was next to the youngest in the family of four boys and three girls.

In a different newspaper, the Washington Daily News, I find an article headed as follows:

"Okies" at our door—Misery and squalor of migratory workers along eastern seaboard matches Grapes of Wrath, says F. S. A. report.

This article describes the misery in which thousands upon thousands of American citizens, men and women and their offspring, are living along the highways and the byways today, some in tents, some without any covering, some occupying old, deserted, dilapidated houses, anything to serve as a roof over their heads. The article goes on to speak about the thousands upon thousands who are going not only to California, but to Georgia and South Carolina and Florida, and states that they are without food, without clothing, and many of them are so greatly undernourished that they are about on the verge of starvation.

I ask unanimous consent to have the article to which I refer printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Harvest season in the East will bring scenes like these [referring to photographs] close to the Nation's Capital.

The wretched conditions of the California-bound "Okies," which John Steinbeck described in *Grapes of Wrath*, are not worse than the poverty, squalor, and disease of the migratory workers in the East, according to the Farm Security Administration.

The apple orchards of the Shenandoah and the truck farms of the Eastern Shore will draw them north in creaking jalopies, in freight cars, and old trucks. They will live in ditch-side camps without sanitary facilities. They will work 12 to 18 hours a day. And when their work is done they will move on to the next crop.

From Florida to New Jersey between 10,000 and 20,000 families engage in rush period farm labor, the F. S. A. estimates. Soon they will finish harvesting winter vegetables in Florida. Then they will chop cotton and pick peaches in Georgia, work the strawberry, tobacco, and vegetable areas in the Carolinas. Then northward again to meet the apple-picking season in the Shenandoah and on to the truck farms of Maryland and Delaware, and finally on to pick cranberries in the New Jersey bogs.

Most of the migrants are Negroes. All are native-born. Some are northern workers who can't find factory jobs. More than 50 percent are syphilitic. Common-law marriages of a "seasonal nature" are common. Few children attend school.

"Education is in competition with beans in this county," the superintendent of schools in Palm Beach County, Fla., was quoted as saying, "and beans are winning out."

The report particularly cites the squalor and the moral license in Belle Glade and Pahokee, Fla. "The number of girls and young women from 16 to 25 who are alone in the district so far as family ties are concerned is alarming," the report cited. "Daughters of small Georgia, Arkansas, and Alabama sharecroppers are numerous. 'The exploitation of children brought down from Georgia by persons posing as the children's parents is not uncommon.'"

Workers subsist on cold and ready-prepared foods such as bread, crackers, cheese, baked beans, sliced sausage, salt fish, and the like, washed down with soda pop.

"Whisky bottles are encountered far more frequently than milk bottles in the vicinity of the quarters," the report said.

Mr. REYNOLDS. Mr. President, I think the time has come when we should devote at least a few of our charitable thoughts to the United States and to people here at home. We hear of innumerable agencies to help the Finns, and to help the Poles, and to help the Spaniards, and to help the Chinese, and to help the Czechoslovaks, and to help the Germans, and to help the Rumanians, and to help the people of this nation and that nation. Their misery is described, and we hear daily about their unfortunate condition. I am glad we have in this country persons who are looking after the people over there; but what I am interested in is finding in this country somebody who is going to look after starving, undernourished, poorly clad people in the United States of America.

In conclusion, let me say that in reading a newspaper a moment ago, the Washington Daily News, I saw this article:

JOBLESS AID REQUESTS REACH OVER 800,000

More than 800,000 people were forced to seek unemployment compensation checks in January because the drop in industrial activity deprived them of their jobs, the Social Security Board reported today.

Nearly \$41,000,000 was paid out in benefit payments, a rise of more than 34 percent over the previous month. Reports covering more than 6,000,000 weeks of unemployment were filed with unemployment compensation offices throughout the country, the Board said.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. REYNOLDS. I yield to my friend from Tennessee.

Mr. McKELLAR. I merely want to say that I imagine, from what the Senator has said, that he believes in the old-fashioned doctrine that "charity begins at home."

Mr. REYNOLDS. Yes, sir; I thank the Senator very much. I believe that charity begins at home.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. CHANDLER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. MILLER, from the Committee on the Judiciary, reported favorably the nomination of Thomas Glynn Walker, of New Jersey, to be United States district judge for the district of New Jersey.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He, also, from the same committee, reported adversely the nomination of Lynn McGraw Moses to be postmaster at Altoona, Pa., in place of A. B. Clark, removed.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS—NOMINATIONS RECOMMITTED

The legislative clerk read the nomination of Ford E. Samuel to be postmaster at Alameda, Calif., which had been adversely reported.

Mr. McKELLAR. I ask unanimous consent that that nomination be recommitted to the Committee on Post Offices and Post Roads for the present.

The PRESIDING OFFICER. Without objection, that order is made.

Mr. McKELLAR. I do not see the Senator from California present; but I will explain to him tomorrow why that is done, and he will have every opportunity to look after the nomination.

While I am on my feet, Mr. President, I desire to say that on February 29 the Senate confirmed the nomination of Fred A. Sommars to be postmaster at Carrington, N. Dak. I ask that the vote whereby the nomination was confirmed be reconsidered, and that the nomination be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER. Without objection, the vote by which the nomination of Fred A. Sommars to be postmaster at Carrington, N. Dak., was confirmed is reconsidered, and the nomination is recommitted to the Committee on Post Offices and Post Roads.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the remaining nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

This concludes the Executive Calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, March 5, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 4, 1940

DIPLOMATIC AND FOREIGN SERVICE

James J. Murphy, Jr., of Pennsylvania, now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

TREASURY DEPARTMENT

Jonas W. Graber, of Kansas City, Kans., to be Assistant to the Commissioner of Internal Revenue, to fill an existing vacancy.

PUBLIC HEALTH SERVICE

Thomas Parran, of New York, to be Surgeon General of the Public Health Service for a term of 4 years. Reappointment.

The following-named dental surgeons to be senior dental surgeons in the United States Public Health Service, to rank as such from the dates set opposite their names:

Alf E. Nannestad, February 26, 1940.

Robert C. Stewart, March 22, 1940.

Robert L. Robinson, March 26, 1940.

William T. Wright, Jr., April 1, 1940.

COAST GUARD OF THE UNITED STATES

Lighthouse Engineer Edward William Laird to be a lieutenant in the Coast Guard of the United States, to rank as such from December 1, 1939.

PROMOTION IN THE REGULAR ARMY

TO BE MAJOR

Capt. Charles Francis Baish, Corps of Engineers, from February 27, 1940.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 4, 1940

POSTMASTERS

MISSISSIPPI

Volney M. Crothers, Lambert.

MISSOURI

Noble C. Jessee, Stella.

NORTH CAROLINA

Ferdinand B. Johnson, Clinton.
Paul E. Hennessee, Glen Alpine.
Eula Mae White, Hiwassee Dam.
Thomas L. Maness, Star.

OREGON

Theodore A. Fleischhauer, Aurora.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 4, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our gracious Father in Heaven, we pray that the words of the Apostle, "Thy will be done" may put exultation in our minds and hearts; let us delight to do Thy will. Lift us out of any selfishness into an absorbing dignity and responsibility that our labors may be threaded with a great and exalted purpose. Baptize us with Thy grace like the sunlight behind the flower until we walk in Thy ways, thinking Thy thoughts, and making the weak strong and the strong just. O let Thy will be done within the four walls of our own country; grant that this prayer may liberate all stricken ones that are chained to the prison house of poverty, sin, and despair. O Thou Christ of the lonely way, Thou Rose of Sharon, forever bloom in our own hearts. We would keep silence before Thee. The presence of a chivalrous and brave soldier is with us. In this Chamber he labored faithfully and at the last paid the full measure of sacrifice. O Thou who telleth the tale of un-speaking death lift the curtain of that which is to come. In our dear Redeemer's name. Amen.

The Journal of the proceedings of Friday, March 1, 1940, was read and approved.

MESSAGE FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

COMMUNICATION FROM CLERK OF THE HOUSE

The Speaker laid before the House the following communication from the Clerk of the House, which was read:

OFFICE OF THE CLERK, HOUSE OF REPRESENTATIVES,
Washington, D. C., March 4, 1940.

The SPEAKER,

House of Representatives, Washington, D. C.

DEAR SIR: The certificate of election, in due form of law, of Hon. WALTER A. LYNCH as a Representative-elect to the Seventy-sixth Congress, from the Twenty-second Congressional District of New York, to fill the vacancy caused by the death of Hon. Edward W. Curley, is on file in this office.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.
By H. NEWLIN MCGILL.

SWEARING IN OF NEW MEMBER

Hon. WALTER A. LYNCH appeared at the bar of the House and took the oath of office.

EXTENSION OF REMARKS

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial by Mr. Ashby Williams, a member of the District bar, on the subject The British Navy is the Biggest Racket Since the Roman Legions.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an item which appeared in the Cleveland Plain Dealer of February 8.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my own remarks on the subject of reclamation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. NELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a brief extract from an article in the New York Times of yesterday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a petition to Congress from the Multnomah civic clubs of my district and that it also be referred to the proper committee.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I also ask unanimous consent to extend my remarks and include two short statements on unemployment, one by the American Federation of Labor and the other by John L. Lewis.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an address by Senator BRIDGES at Denver, Colo.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE NEW DEAL

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, 7 years ago today President Roosevelt took office. [Applause, the Members rising, Democratic.]

Please do not take up all of my minute. [Laughter.] One year from now we will be in office and you ought to applaud. [Applause, Republican.]

Mr. Speaker, my minute is just about gone and I am afraid the gavel will fall before I get a chance to say a word, but read in the RECORD tomorrow what I have to say about this administration and the promises it has made and the performance it has accomplished, and you will find that instead of President Roosevelt thinking now that he ought to continue for a third term he will resign today and let somebody else take his place, because he has not carried out those promises. [Applause.]

SEVEN LONG YEARS OF NEW DEAL

Today is the seventh anniversary of the reign of Franklin D. Roosevelt. Previous to his assuming office he made some of the finest campaign pledges for the operation of this Government that any President has ever made, and for 6 months after taking office he started in to carry out his promises for economy, efficiency, stability, and liberty. And I give you this one quotation—besides, the Democratic platform of 1932 could not have been more sound. The quotation is as follows, delivered at Pittsburgh on October 19, 1932:

The credit of the family depends chiefly upon whether that family is living within its income. And that is equally true of the Nation. If the Nation is living within its income, its credit is good.

If government lives beyond its income for a year or two, it can usually borrow temporarily at reasonable rates. But if, like a spendthrift, it throws discretion to the winds and is willing to make no sacrifice at all in spending; if it extends its taxing to the limit of the people's power to pay and continues to pile up deficits, then it is on the road to bankruptcy.

What happened in 6 months, when they started on a program of spend, spend, spend, and lend, lend, lend; of destruction, killing the pigs, plowing under the cotton and burning the wheat; of waste and extravagance, such as our country never dreamed of previous to that time? Then the President, with his spend, spend, spend program requested the Congress to give him power and give him money. This they did. Money meant nothing to the New Deal Congress, and they gave him, at the first crack out of the box, \$4,880,000,000—the worst thing that Congress ever did to any President at his own request. That was only the start to wanting. They have continued to give until they have put in his hands in the past 7 years over \$18,000,000,000 in the guise of relief, and what have we to show for it? Much nothing—a lot of buildings and improvements and so-called improvements that

will continue to increase the daily cost of government. But we still have the debt for our children and our children's children to pay. The same story of the rich man leaving the son a lot of money without any experience in handling it. And what has been your experience in the majority of cases of this kind? Waste and extravagance and, finally, a wreck.

Where do we find ourselves today, as a nation with a debt limit of \$45,000,000,000 and now up to the debt limit? Will this administration get through this year or will they have to increase it? I think they are going to try to get through this year and leave the next administration to increase it in order that they do not disobey the law. But this administration surely will disobey the law because their bookkeeping will be so juggled to avert the knowledge of the people from knowing what the maximum debt really is.

Seven long years of extravagance. Ten million men out of work when they came into office. Ten million men out of work today. After 7 years of trying to find jobs it seems to me with the same number of unemployed, the story is inability to meet the situation. In 7 long years, each year with a great deficit from one billion and a half dollars up, until we have created the greatest and most consistent deficit the world has ever known by any government. We were promised before the 7 years began that we would eliminate bureaus and consolidate departments. This was for economy in government. Instead we have set up more bureaus. Last year we started in to consolidate offices, and since the consolidation we have added to the Government pay roll over 100,000 additional employees. Putting employees on the Government pay roll for the taxpayers to pay will not decrease our national deficit, but will tend to increase it. Where is the economy?

In 7 years we have given the President more power in 100 laws that have been passed than any President has ever had; in fact, than any President ever would want. It is too much power for a bad man, and a good man would not have asked for it. We have placed in the hands of the President of the United States now, should he declare an emergency, power to take over the radio stations; take over the telegraph and telephone communications; take over the railroads, air lines, bus and truck lines; take over industrial establishments if they refuse preference to Government contracts. In 7 long years we have given the President the power to restrict production on the farm, to fix prices on agricultural products, and to manufacture goods in competition with private enterprise. In 7 long years we have given the President the power to create business corporations, and we now have our Government owning and controlling more business than was ever known in the history of our Nation. The President had the power to confiscate all the gold, which he did, and buried it in Kentucky. He decreased the value of the dollar to 59 cents. He is now hoarding the silver and burying it at West Point.

In 7 years we have given the President the power, in case he wants to use it, to close the banks and stock exchanges for 90 days. Dictatorship is close at hand. Will we permit it to go on?

Today, Mr. President, is the seventh year of your reign. Much talk is buzzing over the country as to whether you are contemplating running for another term. After the failure that you have had during the past 7 years in trying to solve the problem of unemployment and put this country on a solid foundation, I should advise you not to run for a third term but to resign your office now and let somebody else fill the remaining year. I say this not in the spirit of contempt, not in the spirit of enmity or jealousy, but I say it for the good of America, American agriculture, American labor, American industry, and American liberty.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks and include some excerpts and a recent resolution and telegrams of historical value on the memorial bodies at Fort Wayne, Ind.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the Clerk be permitted to read a short resolution recently adopted by the Legislature of the State of New York.

The SPEAKER. The gentleman from New York asks unanimous consent that the Clerk may read a resolution referred to by him, adopted by the Legislature of the State of New York. Is there objection to the request?

Mr. RANKIN. Mr. Speaker, reserving the right to object, what is it about? I do not think we ought to start a campaign of political propaganda in that way, and I believe I will object for the time being.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

Mr. RAYBURN. Mr. Speaker, everybody agreed to an unusual thing last week, and that was upon the assembling of the House today, and before calling the Consent Calendar, 1 hour of memorial exercises would be conducted. I think we ought to proceed with it. Therefore, I shall object to anyone proceeding for any length of time at the present time.

The SPEAKER. Objection is heard.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1941

Mr. FITZPATRICK, from the Committee on Appropriations, for Mr. TAYLOR, reported the bill (H. R. 8745, Report No. 1709) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes, which was read a first and second time and referred to the Union Calendar.

Mr. RICH reserved all points of order against the bill.

THE LATE HONORABLE ROYAL C. JOHNSON

The SPEAKER. Under the previous order of the House 1 hour has been set aside for the purpose of paying tribute to the memory of the late ROYAL C. JOHNSON, of South Dakota. The Chair recognizes the gentleman from Mississippi [Mr. RANKIN] for 1 hour.

Mr. RANKIN. Mr. Speaker, I yield 30 minutes to the gentleman from New York to be yielded as he sees fit.

I now yield 5 minutes to the distinguished gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Speaker, it is fitting that we, the former service men, soldiers of the World War, should devote a short time today as a memorial to ROYAL C. JOHNSON, former Congressman and our former comrade.

ROYAL JOHNSON was beloved and admired by all who knew him. He was born in 1882, admitted to the bar in South Dakota, his home, in 1906, and practiced law in Highmore, S. Dak. He was deputy State's attorney in 1909 and 1910, attorney General of South Dakota, 1911 to 1915, inclusive, and was a Member of the Sixty-fourth to Seventy-second Congresses, inclusive. During the war on January 5, 1918, he resigned from Congress and enlisted as a private in the United States Army. He was promoted to sergeant, Company K, Three Hundred and Thirteenth Infantry, April 23, 1918; to second lieutenant June 1, 1918, and assigned to Company D, Three Hundredth and Thirteenth Infantry. He was then promoted to first lieutenant September 3, 1918. He, with his company and regiment, went overseas on July 6, 1918. He was wounded on September 27, 1918, in the fierce fighting at Montfaucon, and discharged from the service on December 20, 1918. He was awarded and received the Distinguished Service Cross, the Purple Heart, and the French Croix de Guerre.

Since the war he was always active in all matters pertaining to the welfare of the veterans. He was a member of the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans. It is not inappropriate for me to say that the veterans, those who were disabled as well as those who are in perfect health, are under a deep debt of gratitude for the part he has played in their behalf.

I first knew him when I came to the Sixty-seventh Congress on March 4, 1921. He, together with those of us who were former service men, was responsible for the Committee on World War Veterans' Legislation which was organized during the first session of the Sixty-eighth Congress on the 18th day of January 1924. I served on this committee

with him the greater part of the time as the ranking minority member until March 3, 1929. I think every Member who has served on his committee admired him because of his absolute honesty, his fairness, and his high character. He was absolutely fearless. At no time on the committee would he allow partisanship to enter into the proceedings of the committee. As an illustration, he assigned two Democrats on the subcommittee, Milligan and myself, to draft the veteran legislation of 1924. At another time I was chairman of the subcommittee to investigate the Government hospitals. During the entire time that I served on the committee, I was his close friend.

After he retired from Congress he practiced law here in the District of Columbia and had a lucrative practice. He was in short, every inch a gentleman, a good lawyer, a fine soldier, and an outstanding citizen, and I, together, with his multitude of friends regret his untimely passing last year. Today it honors us to pay tribute to the memory of ROYAL C. JOHNSON, our former comrade in arms, our former colleague in Congress, who bore on his body the wounds received in battle, and who, whether in peace or in war, gave his best to the Nation that he loved so well.

Mr. FISH. Mr. Speaker, I yield myself 5 minutes.

The SPEAKER pro tempore (Mr. NELSON). The gentleman from New York is recognized for 5 minutes.

Mr. FISH. Mr. Speaker, this is an unusual tribute to an unusual former Member of this House, ROYAL JOHNSON, who has gone to join his comrades and those disabled veterans whom he aided in the bivouac of the dead. It is fitting and right that the House of Representatives should pause in its deliberations and pay this unusual tribute to one of its foremost former Members who died in the prime of life on August 1 last year, leaving a devoted wife and two sons.

"For Lycidas is dead, dead ere his prime" and probably as the result of the wounds he received in battle and the shock to his heart.

ROYAL JOHNSON was a gallant soldier, a distinguished and able legislator, a congenial and loyal friend, and a patriotic American in time of peace as well as war. He was the youngest attorney general ever to be elected in the State of South Dakota. He was elected to the Congress of the United States when he was 33 years of age. Shortly afterward he refused to be stampeded into voting for a declaration of war and was one of the 51 Members of the House who voted against our entry into the war with Germany. That vote took political courage and showed that he had the courage of his convictions. After war was declared he volunteered and entered the Army as a buck private. He was promoted successively to the grades of second lieutenant and first lieutenant in the Seventy-ninth Division. He led his men into action in the famous and hard-fought battle of Montfaucon, where he was badly wounded. He was decorated for gallantry by both the American and French Governments. He was in the hospital in France when he was reelected to Congress in 1918 by his constituents.

On his return to the Congress he introduced and secured the passage of a bill granting a national charter to the American Legion. He introduced and secured the passage of a bill awarding the Medal of Honor and the Distinguished Service Cross to the Unknown Soldier. When the Veterans' Committee was created in 1924 he became its first chairman and inaugurated with the other members of the committee our Government's policy of compensation and hospitalization for our disabled American soldiers. Today those hospitals, some 80 in number, stand as monuments to the honor and memory of ROYAL JOHNSON.

I think it is well as we pause in our deliberations today to repeat some of the words that ROYAL JOHNSON himself used back in 1917, when the House was considering the draft bill for which he voted, because today we are in the midst of war hysteria and fear and dread of being involved in another foreign war. Surely those in our midst who would have us go abroad again to fight to make the world safe for democracy and want to send the youth of America to foreign lands to fight other people's battles, and those internationalists and

interventionists who are now clamoring to police and quarantine the world, should carefully weigh the remarks that ROYAL JOHNSON made in a speech on the floor of this House on April 26, 1917, directed at the war mongers of those days:

Unlike Theodore Roosevelt, they never did and do not want to fight. They want to resolve, and I hereby christen them "resolution patriots," and define such patriots as "men who are long on resolving and short on enlisting." * * *

I have been very much interested in the method of selection under the conscription law. If I had that duty, I want to assure you there would be a nonpartisan, nonpolitical choice, but that I would select a lot of "resolution patriots." * * * After selecting them, I would like to have the privilege of picking out the place for them to fight, and I assure you they would get all the fighting they have been so vociferously clamoring for—and they would do a lot more fighting and a lot less resolving.

Mr. Speaker, ROYAL JOHNSON was a credit to South Dakota. He was a credit to the party to which he belonged. He was a credit to the House of Representatives as one of its most distinguished Members for some 18 years; and, above all, he was a credit to America because of his vigorous Americanism and because he was a true patriot in time of peace as well as in war.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. CARTWRIGHT].

Mr. CARTWRIGHT. Mr. Speaker, I knew the honorable and distinguished late ROYAL JOHNSON; I knew him very well. He was a capable lawyer, a gallant soldier, and a distinguished legislator. As has been said, this is an unusual ceremony for an unusual man, but in every way he is entitled to this honor.

It was my privilege to serve with him. He gave unstinted service and a helping hand to everyone, regardless of political affiliation. He was concerned always with the best public interest and welfare of our Nation. His work as chairman of the Committee on World War Veterans' Legislation will serve as a lasting monument to his career as a legislator.

ROYAL JOHNSON is gone but not forgotten.

Mr. RANKIN. Mr. Speaker, we have one Member of the House who was with ROYAL JOHNSON in the thick of the fight. I yield 5 minutes to the distinguished gentleman from Maryland [Mr. COLE].

Mr. COLE of Maryland. Mr. Speaker, the decision to hold these exercises is most commendable. It is in keeping with the consistent regard and respect the distinguished chairman of the Committee on World War Veterans' Legislation [Mr. RANKIN] shows at all times for the ex-service men of this country.

I spoke briefly to the House on August 3 about the life of ROYAL JOHNSON. I shall therefore not repeat today much I said at that time.

ROYAL C. JOHNSON was admittedly a casualty of the World War. But for the wounds he sustained and the effect thereof in later life few will doubt that he would be with us today.

Following his vote against the resolution declaring war, he enlisted in the Regular Army on January 4, 1918, and was assigned to Company K, Three Hundred and Thirteenth Regiment of Infantry, then at Camp Meade, Md., of which company he became sergeant. Later he was assigned to the Third Officers' Training Camp at Camp Meade and received a second lieutenant's commission on June 1, 1918. He was assigned to Company D of the Three Hundred and Thirteenth Regiment of Infantry, embarking with the Seventy-ninth Division for France. He remained with his regiment until a later date when he was wounded in action. On September 3, 1918, he was promoted to a first lieutenant, still assigned to Company D of the Three Hundred and Thirteenth Infantry.

It was my privilege to be an officer at the same time in the Three Hundred and Sixteenth Regiment of Infantry, both of the Seventy-ninth Division. When the famous American drive on September 26, 1918, took place, all will agree that the Seventy-ninth Division had one of the most important positions in that terrific offensive. Directly within the sector of the Seventy-ninth Division was Montfaucon. The great work of this division at Montfaucon is a matter

of knowledge to many and enjoys, as it always will, a prominent place in every history of the World War. It was at Montfaucon that ROYAL was severely wounded. For that service he received the Distinguished Service Cross, the Purple Heart, and the French Croix de Guerre with gold star from the Republic of France. The wounds sustained by ROYAL in the Battle of Montfaucon were such that he was not permitted to be with his division the early part of October 1918 while occupying a defensive position in the Saint Mihiel sector and later in the final and big offensive battle which found his division in the front lines on Armistice Day.

Let us, in the performance of our important duties at this very critical period in the life of this Nation and the world, remember the lesson which knowledge and memory of the life of ROYAL C. JOHNSON so forcibly and manly portrays.

His war record is the envy of everyone, and along with his other great services to his country entitles him to a place in the land of perpetual peace and happiness to which I am sure he has been consigned.

MR. RANKIN. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [MR. CANNON].

MR. CANNON of Missouri. Mr. Speaker, one of the many compensations of our service here is the privilege of association with men who are making history, men who have rendered and are rendering a notable service to their day and generation. That was particularly true of those of us who had the privilege of serving with ROYAL JOHNSON.

I shall not speak of his rare character, his distinguished service in the war, his brilliant record in the House. All these have been the subject of eloquent comment by those who have preceded me. But I do wish to refer to his earnest devotion to principle and his patriotic loyalty to his country, when the two conflicted under trying circumstances. In that respect his course was strikingly parallel to that of Robert E. Lee, the great southern leader, under similar conditions. General Lee opposed the idea of war between the States. He was not in sympathy with the formation of a separate government and deprecated the entrance of his own State into the war. But war having been declared, he followed her as a loyal son and was the first soldier, as he was the first citizen of the Confederacy. ROYAL JOHNSON opposed the entry of the United States into the World War. He took his political life in his hands to vote against the declaration of war. But the die having been cast and the issue drawn, he resigned his seat in the Congress and enlisted as a private for immediate overseas service. His soldierly qualities and his fighting record are eloquently evidenced by his successive promotions from private to first lieutenant in 11 months at the front, the Distinguished Service Cross awarded him by the United States and the Croix de Guerre with gold star conferred on him by the Republic of France. But it was on his return to Congress at the termination of the war that he rendered his greatest service to the Nation at large. He fathered and guided through the House the provision for the incorporation of the American Legion, and then turned his attention to the creation of a separate and special committee to handle World War veterans' legislation. Through his efforts, the committee was created as the Committee on World War Veterans' Legislation, and he served as its first chairman. In that position he was a pioneer, a pathfinder, a trail blazer, for conditions differed so greatly from those following other wars that it was necessary to establish precedents in a hitherto unexplored field of veterans' legislation. How successfully he performed that trying and difficult task is shown by the remarkable unanimity of the support given him by all parties and by both the Veterans' Administration and the various service organizations. The code which he initiated remains today after these strenuous years of stress and trial unchanged in fundamental conception and practical application. It constitutes a monument beyond any tribute which storied bronze or sculptured granite could pay.

Wearied and weakened by the weight of the infirmities occasioned by the all but mortal wounds received during the crucial campaign at Montfaucon, he voluntarily retired from Congress and now has answered the last roll call. He was a gallant soldier, a loyal friend, a wise legislator, an illustrious American.

On fame's eternal camping ground,
His silent tent is spread,
And glory guards with solemn round,
The bivouac of the dead.

[Here the gavel fell.]

MR. RANKIN. Mr. Speaker, I ask unanimous consent that all Members who speak may be permitted to revise and extend their own remarks in the RECORD and that all other Members may have 5 legislative days in which to extend their own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi [MR. RANKIN]?

There was no objection.

MR. FISH. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [MR. WOODRUFF].

MR. WOODRUFF of Michigan. Mr. Speaker, ROYAL JOHNSON and I were bound by a golden cord of friendship that had many strong fibers.

First, he was a man whose character and whose attitudes were congenial and conducive to the warm friendship which existed between us.

Secondly, we were associated together in our work in this House at a time and under circumstances which could do no other than draw us into a close and friendly relationship. We stood together in a fight in this House that was vindicated by history, but which at the time was not popular with some of our colleagues.

Thirdly, we were brothers in arms throughout the first World War.

It gives me a sense of deep satisfaction to add that throughout the years that rolled by after ROYAL JOHNSON voluntarily ended his service in the House undefeated, that close and warm friendship between us continued up to the hour of his untimely passing.

ROYAL JOHNSON won the respect and the affection of those who knew him and were associated with him, because his nature was kindly; he was sturdily honest; he had the courage of his convictions; he was never afraid to say what he believed; and he was never afraid to stand firm and unwavering for what he conceived to be right.

Strong, firm, decided in his opinions, yet he was, withal, so gentle and kindly in his attitudes toward his colleagues and those associated with him as to never give wanton offense or to perpetuate a thoughtless hurt to others.

I think it may be truly said of this man that he was a fine American, an unwavering patriot, a good legislator, and excellent soldier, a sincere practitioner of the law, an honored member of his profession, and one who loved his fellowmen.

It is my conviction that no one who deserved it ever appealed to ROYAL JOHNSON for help without getting it if he could extend that help.

I would not have you believe that my friend's virtues set him apart from other men or made him unapproachable by others, because that would be exactly the opposite of his true character and temperament. He was a hail fellow well met; he was a man's man; his character and temperament were rugged, rough and ready, as well as fine and gentle.

There are many still in this body who knew ROYAL JOHNSON during his congressional service. To those of you who did not have the privilege of being associated with him, I say you truly missed a fine human experience in not knowing and working with him.

MR. FISH. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [MR. ROGERS].

MRS. ROGERS of Massachusetts. Mr. Speaker, I am very glad that we are pausing today to pay a tribute to the memory of ROYAL JOHNSON. The entire country owes him homage. The World War veterans owe him a debt of gratitude they will never be able to repay. Had it not been for his

perseverance, his farsightedness, and all-consuming interest in the problems of the veteran it is doubtful that this House would have a Committee on World War Veterans' Legislation today. When it was formed in 1922 he, among all other veterans in Congress, was selected as chairman of the new committee because of his deep knowledge of the subject. A better selection could not have been made. From his service in the World War, as a private, a sergeant, and a commissioned officer, he had first-hand knowledge of the many, and at that time most complex, difficulties disabled veterans were having in establishing their claims with the Federal Government. The new committee was faced with problems which at the time seemed unsurmountable. As chairman he faced these with fearless courage, taking the hard way instead of the easier, striving for equitable treatment for those bearing the scars of war. There is no question but that his honesty and his personal popularity made it possible to achieve these objectives.

His home State of South Dakota, which sent him to Congress nine consecutive times, knew well of his ability to work and work hard in every position in which he was placed. He had served there as deputy State's attorney, State's attorney, and as attorney general before coming to Congress in December 1915. His retirement from political life was of his own choosing, as he declined to be a candidate for reelection to the Seventy-third Congress. He was truly a great South Dakotan.

I wish every boy and every girl in this country could know just how much he loved America. In these days of unrest at home and of war abroad, such patriotism as ROYAL JOHNSON had is a great inspiration. What a heritage he left his own children and the youth of America by his selfless service. ROYAL JOHNSON was one of the few who voted against the World War, and yet when war came and his country needed him, he was one of the first to enlist. He thought his country was wrong, but, like Stephen Decatur, it was "My country, right or wrong."

ROYAL JOHNSON knew from personal experience the bitter lessons of pain. His military service was a record of heroism and courage that so clearly marked his character in post-war years. For conspicuous bravery in action he was awarded the Distinguished Service Cross by his Government and the Croix de Guerre by a grateful France. His medals were not won without cost to him, however, for he was severely wounded at the front, and those who knew him well can testify that he suffered many hours of pain during his years of service in this Congress. That these old scars of battle shortened his life there is no doubt. The world at large never knew of his physical suffering, for it was hidden by a tireless activity and a ceaseless energy unrivaled by men of sound physique. When he died he was in the very prime of life, not an old man in years—only 57—but very old in experience and knowledge of his work and knowledge of the world.

Personally I came to know ROYAL JOHNSON well. When I came to Congress in 1925 it was my very great privilege to be appointed to the Committee on World War Veterans' Legislation. Time has seen many changes, and today the present chairman and I are the only remaining members on that committee who served under ROYAL JOHNSON's leadership. To know him, to work under him, was to admire his courage and his patriotism. He fought fair and fought hard for what he thought was right, but he was not hesitant in opposing measures that seem to him uncalled for.

The veterans of the World War miss him. We who knew him in Congress, who sought his advice and suggestions even after he left this House, miss him perhaps even more. Our country lost a brave and valiant soldier, a recognized statesman, and a citizen who had devoted his life to the service of others. But the spirit of ROYAL JOHNSON's unselfishness and devotion to America marches on.

Mr. RANKIN. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, our departed friend well deserves the unusual distinction now being paid his memory; that is, the holding of this hour long enough to mark it with proof of the love and esteem which his former colleagues bore him.

I have been here many years and during the time I have served in this House I have seen men come and go, some great, some less so, all good and all men of distinction in their respective districts; but of those I have seen come and go, there has not been one who had more of the elements of greatness woven into the fabric of his life or who carried more goodness in his heart or who had a better reason for being here than ROYAL JOHNSON.

He was a man whose personal, professional, and official integrity were perfect. He probably had more influence upon me than any man with whom I have ever served. He was a great lawyer, a great statesman, a great soldier, a distinguished author, a great American, and my friend. I loved him devotedly and join with the thousands who knew him in mourning his untimely passing.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Speaker, I shall not detain the House except to say that I concur in the splendid tributes that have been paid here today to our deceased friend and former colleague, Hon. ROYAL JOHNSON. When I became a Member of this House he was a Member, and I had the honor and distinction of serving with him for a number of years. While we occupied different sides of the aisle, the aisle never separated our friendship or our affection. ROYAL JOHNSON was the chairman of the Committee on World War Veterans' Legislation. He was a great man, an able legislator, and he was my friend. And I am glad to pay this simple but heartfelt tribute to his memory.

Mr. RANKIN. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. JOHNSON] such time as he may desire.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I desire merely to add a word to what my colleagues have said with reference to our departed friend the late lamented ROYAL C. JOHNSON. In the brief time that I shall take it is impossible to begin to recount the life history or pay a fitting tribute to this great, good man, who so indelibly impressed his life and character upon the people of the Nation.

If I remember correctly, the first time I ever heard of ROYAL JOHNSON I was a student in the University of Oklahoma, and he was an active and brilliant Member of this body. On January 4, 1918, the word was flashed around the world that a young man had actually resigned from Congress to enter the World War as a private soldier. The story said that the young man was very much opposed to war, but that when war was actually declared he felt he could not longer retain his membership in Congress after voting to draft other young men to answer the call to arms. The name of ROYAL JOHNSON immediately became a household word all over the land. It had a profound impression upon Congress, the country, and especially the young manhood of America. ROYAL JOHNSON set an example that will make future Congressmen stop, look, and listen before voting to send other men and boys into that awful carnage called war.

We heard of our departed friend many more times during that world conflict. A few months later, while I was in France, I recall reading of the daring feats of that stalwart young man who had risen from a private to a captain, a major, and later, I believe, to a lieutenant colonel. He was one of the real heroes of the World War. Later I saw and heard ROYAL JOHNSON at our national American Legion conventions and was delighted to know that he was so deeply interested in the welfare of his comrades in arms, especially the disabled veterans of that war and their dependent families.

It is needless to add that one of the first men I sought to meet when I came to Washington as an humble Member of this body was ROYAL JOHNSON. I found him to be brilliant, able, fair, and most reasonable. He was mild-mannered and unspoiled. As the years went by I learned to know him better, and, of course, to really know him was to love and admire him.

Although our friend and collaborator is gone to his reward, the memory of his splendid character, accomplishments, and friendship will always remain with us. His fine example is

one that all of us might well emulate. America needs more men of his high caliber and sterling worth. May God bless his memory.

Mr. FISH. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. MAAS] such time as he may desire.

Mr. MAAS. Mr. Speaker, ROYAL JOHNSON has been, and will continue to be, an inspiration to all patriotic Americans and especially to Members of Congress.

Royal was an intense patriot who genuinely loved his country. As a Member of Congress he fought to keep the United States from becoming embroiled in the World War, but being a true lover of democracy when the majority ruled otherwise and voted to declare war, ROYAL JOHNSON left Congress and enlisted as a private soldier to fight for his beloved country.

He so conducted himself that he became a hero during the war to every young American soldier.

When the war was over, he returned to Congress, and organized and led the legislative movement to properly care for the American boys who had suffered most in the common cause of their country.

ROYAL JOHNSON was the first chairman of the World War Veterans' Committee in Congress. Under his able leadership legislation creating the great Veterans' Administration was enacted. Most of the fundamental and basic acts dealing with the veterans' relief and welfare were enacted into law while he was chairman of the committee.

Royal was an able and fearless leader for right and, though personally a mild-mannered individual, he was a relentless leader in pushing remedial legislation. He was loved and respected while alive. He will always be loved and revered in death. His great influence will live on to be a living memorial, far more fitting and appropriate than any statues, memorial addresses, or other testimonials that his friends can ever create. His name and his cause will march on and on as a true monument to a great American.

Mr. FISH. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. KNUTSON] such time as he may desire.

Mr. KNUTSON. Mr. Speaker, the life of ROYAL C. JOHNSON, whose memory we commemorate today, should be an inspiration to the youth of our land; nay, more, it should refute completely those who preach the dark gospel of despair to the young men and women of America—the gospel that their opportunities for advancement have been greatly restricted and that henceforth many of them must look to the dole rather than to their own initiative.

Such a philosophy was as alien to the nature of ROYAL C. JOHNSON as anything could possibly be. He had sprung from that sturdy stock of old Americans who conquered a continent, foot by foot, and developed it into the greatest country of all time. Our distinguished friend was born in Iowa on October 3, 1882. The following March his family moved to South Dakota, when that State was yet a Territory and the hostile Sioux a serious problem. He grew to rugged manhood amidst the hardships and dangers of the frontier. At the age of 24 he graduated from the University of South Dakota and began the practice of law in his home town of Highmore. Shortly thereafter he was made assistant State's attorney and 2 years later State's attorney. At the age of 28 he became attorney general of the State of South Dakota, which position he filled with distinction for 4 years. In 1914 he was elected to Congress and served with fidelity and distinction in this body continuously for 18 years, save for the time that he served abroad in the armed forces of his country during the World War. After 18 years of outstanding service in this body he voluntarily retired to resume the practice of law.

ROYAL C. JOHNSON was in every sense a family man. He was happiest when surrounded by his family. He was an individual whom we were all proud to call "friend" and his was one of the closest friendships formed by me in the nearly quarter of century service in this body. I was en route to Europe when word came to me that this gigantic oak had toppled over in an unexpected storm. His passing created a scar that even time cannot fully heal.

Mr. FISH. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, when, through the efforts of Mr. JOHNSON, the Committee on World War Veterans' Legislation was created, it was feared that as a veteran he might not be wholly impartial, and two of us who had been beyond the age limit at the time of the war were chosen to be with him to offset any tendency he might show toward undue friendship for the soldier. I was one of the two and while he was a member sat with him. There came no occasion for the apprehension. I wish to add to the deserved tributes that have been made to him simply a recognition of his independence and his fairness. Always in time of peace as in time of war his first thought was of the welfare of his country.

Mr. RANKIN. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, this is a most unusual but deserving tribute.

It was my pleasure to meet ROYAL JOHNSON the day he came to Washington as a Member of this body. Well do I remember the day he left to go to war and well do I remember his return. Wounded in action, no one ever heard him mention his disabilities, but those of us who really knew him were always aware of his sufferings.

On his return he was placed in charge of an investigation of expenditures during the period of the war. Out of that investigation testimony covering 20 or more volumes was printed, but in the end ROYAL JOHNSON, a Republican, told the world nothing was found that showed any official had violated a public trust.

The Democratic Party was in control during the period of the war. There was no attempt on the part of that committee to cast reflections upon those charged with expenditures of billions.

His work as chairman of the Committee on World War Veterans' Legislation has already been told. The World War veterans can and do thank ROYAL JOHNSON for many of the benefits they now enjoy.

Little did I feel when I saw him at the Emergency Hospital, after he suffered injuries by being struck by an automobile, that in so short a period I would be in Arlington Cemetery while he was being laid to rest.

ROYAL JOHNSON was my friend and I cherished his friendship.

The history of our country that does not contain the record of ROYAL JOHNSON during the World War and the years that followed will be incomplete.

Mr. FISH. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. WIGGLESWORTH] such time as he may desire.

Mr. WIGGLESWORTH. Mr. Speaker, I am happy as a Member of Congress and as a World War veteran to join in this tribute to a former colleague and comrade for whom I had both admiration and affection.

When I first came to Congress ROYAL JOHNSON was one of the experienced and influential Members of this House. A member of the Rules Committee, chairman of the Committee on World War Veterans' Legislation, a member of the Republican steering committee, at 46 years of age he had already served in this body for 13 years. He extended a helping hand to me on many occasions and I formed with him a friendship which endured through the years of our service here together, through the years after his voluntary retirement from public life, up to the day of his death.

Only the evening before he died he telephoned me in my office. He had heard that I was going to Europe. Characteristically, he wanted to give me some suggestions and to send me in the morning a letter that he thought would be helpful. The letter was never written. Before he could return to his office in the morning "taps" had sounded. He had been called to his reward.

Mr. Speaker, ROYAL JOHNSON served his country with real distinction both in time of war and in time of peace.

His retirement from Congress to enlist as a private in the Regular Army in the World War; his several promotions to the rank of first lieutenant; the wounds which he received in action at Montfaucon; the Distinguished Service Cross, the Order of the Purple Heart, and the Croix de

Guerre with star, which he won on the battlefield, speak eloquently of his desire to serve, his ability to lead, and his valiant conduct in time of war.

His splendid work in this House in the course of which he fought so strongly and so fairly for the best interests of his comrades in arms, speaks no less emphatically of his patriotic service in time of peace. All of us who served with him here will bear witness to his character, his integrity, and his courage as a national legislator and a leader in public life.

ROYAL JOHNSON devoted himself to public service for 33 years. His long career as deputy State's attorney, as State's attorney, as attorney general, and as a Member of Congress for 18 years emphasizes the confidence which he enjoyed among those whom he was privileged to serve.

A valiant soldier, an able and resourceful lawyer, a distinguished public servant, a true and loyal friend, our departed colleague and comrade stood for all that is best in American life. His memory will not fade, Mr. Speaker, from the minds and hearts of those fortunate enough to be included in his wide circle of friends in every walk of life. [Applause.]

Under leave to extend my remarks, I include at this point copies of the citations which he won in France, together with a further tribute appearing in the January issue of the South Dakota Bar Journal:

CITATIONS AWARDED TO LT. ROYAL C. JOHNSON

The Distinguished Service Cross: "For extraordinary heroism at Montfaucon September 26 and 27, 1918. He constantly exposed himself to the enemy fire during the attack at Montfaucon, setting an example to his men by his fearlessness. When severely wounded by shell fire, he assisted two wounded men of his company to the rear and refused to occupy space in the ambulance until these men had been provided for."

The French Croix de Guerre with star: "A very brave officer, exposed himself to the enemy's fire during the attack on Montfaucon and set an example of courage for his men. Though wounded by shell splinters, he brought aid to two wounded men of his company and refused to enter the ambulance before them."

[From the South Dakota Bar Journal for January 1940]

ROYAL CLEAVES JOHNSON
(By Dawes E. Brisbane)

On a shady slope in Arlington stands a simple marker indicating the last resting place of ROYAL C. JOHNSON. From the beauty and dignity of that historic hillside overlooking the Nation's Capital "those who also served" maintain their eternal guard over the living spirit of the Republic. The greatest posthumous honor was rightly bestowed when he was committed to the imperishable community of that deathless legion.

ROYAL JOHNSON represented South Dakota for 18 years as a Member of Congress. First elected in 1914, he continued that service until his voluntary retirement in 1933. When the United States entered the World War, against which he courageously cast his vote in the House, he enlisted as a private in an infantry regiment of the Regular Army. Later assigned to the Third Officers' Training Camp, he was commissioned and assigned to the Three Hundred and Thirteenth Infantry. While leading his command through the shambles that was Montfaucon he was left behind seriously wounded. The Distinguished Service Cross was awarded for his conspicuous bravery that day. France also conferred upon him the Croix de Guerre with gold star.

The armistice found Lieutenant JOHNSON in a base hospital. His recovery was sufficient to permit being invalided home, where he resumed his place on the floor of the House December 17, 1918. He fathered the bill incorporating the American Legion. He sponsored many laws for the relief of disabled soldiers. He was chairman of the House Committee on Veterans' Legislation from its creation until he retired from Congress.

Royal was a constant member of the South Dakota Bar Association from his admission in 1906. During the earlier years of that period he served as State's attorney of Hyde County and two terms as attorney general of South Dakota. A member of the District of Columbia Bar, he had been actively engaged in the practice of his profession in Washington since his retirement from public life. In this work he was eminently successful.

Born in Cherokee, Iowa, October 3, 1882, his parents brought him to South Dakota the following year. He attended public schools at Highmore and Pierre and college at Yankton. He earned his law degree at the University of South Dakota in 1906.

A great athlete, Royal played a hard, heady game of tackle on the varsity and for many years was the outstanding baseball catcher in the State. His ability to negotiate the "tough ones" gained for him the lasting nickname "Sod Grabber." In other activities he brilliantly held a place on the university debating team and, as in later life, he was at all times a leader among his associates. By doing odd jobs during the school months and playing semiprofessional baseball during the summer he was able to complete his education.

His marriage to Florence Thode in 1907 was the fulfillment of a college romance. Two stalwart sons survive to give solace to their bereaved mother. They are Everett Royal Johnson, a successful engineer and member of the bar, and Lt. Harlan Thode Johnson, of the United States Navy.

Royal was a member of the Phi Delta Theta, Delta Theta Phi (law), the Masons, and the Elks. He belonged to the Metropolitan, the National Press, the University, and the Chevy Chase Clubs in Washington. He was a Republican and a Congregationalist.

A soldier of valor, a statesman of great integrity, a lawyer of high ethics, he was with all a friend of boundless loyalty.

In his last public utterance, before a large gathering in the House Office Building assembled there to do him honor, he expressed the modest and simple hope that some of those who may come after might say of him, "With all his limitations he did his best." Thus, prophetically, did he give voice to his own epitaph.

Mr. WIGLESWORTH asked and obtained unanimous consent to extend his remarks by including copies of citations awarded for gallantry in action in France and a further brief tribute appearing in the January edition of the South Dakota Bar Journal.

Mr. FISH. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, this is indeed a rare occasion. The Congress of the United States in honoring the memory of the late ROYAL C. JOHNSON, former Member of Congress from South Dakota, pays a tribute to the achievements that characterized his busy and useful life.

I like to remember the deceased as I first knew him as a Member of Congress when he was named as the chairman of the newly formed World War Veterans' Committee of the House of Representatives.

As a former lieutenant with the Three Hundred and Thirteenth Infantry, Seventy-ninth Division, A. E. F., at Montfaucon, France, he performed an act of heroism so outstanding that a grateful Government conferred upon him the Distinguished Service Cross.

This former officer constantly exposed himself to enemy fire, setting a brave example to his men by his fearlessness prompted by his love of country. This record of service and the fact that he was likewise distinguished in civil life for his many noble traits of character, combined to make his selection universally acclaimed by veterans throughout the country.

During my many years of active participation as a National and State officer in the Veterans of Foreign Wars of the United States I had an opportunity to become intimately acquainted with ROYAL C. JOHNSON and from this association learned to appreciate the many splendid qualities of his richly gifted soul.

His thorough knowledge of the problems confronting the World War veteran and his dependents and his splendid leadership of the World War Veterans' Committee laid the foundation for the Federal Government's present veteran-welfare program.

As a Member of Congress his position did not remove him from the daily comradeship of his World War veteran buddies, and he was found holding an active membership and office in the great veteran organizations of our country. He was constantly visiting veteran hospitals and giving a word of cheer to those helpless comrades to whom death would be a welcome respite from the daily pain and anguish that wracked their bodies and distorted their minds.

At Montfaucon, France, the heroism of ROYAL C. JOHNSON and all American soldiers is recognized by a beautiful monument; while here in the United States every Government hospital for disabled veterans stands as a monument to this distinguished veteran for his devotion to the welfare of America's disabled veterans and their dependents.

If the veterans of the World War, 4,000,000 strong, could join me in this Chamber today, I know their voices would blend with mine in saying, "Our comrade, ROYAL C. JOHNSON, is gone but not forgotten."

Mr. FISH. Mr. Speaker, I yield such time as he may desire to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, many are the disabled veterans, their widows and orphans in this land of ours today whose lives are just a little sweeter and whose burdens just

a little easier to bear because of the untiring efforts, the kindly heart, and the understanding mind of the late great American in whose memory we are today doing honor; the first chairman of the Veterans' Affairs Committee, the Honorable ROYAL C. JOHNSON.

Although his work here on earth is finished, his high ideals still live and will live so long as friendship and true patriotism warm the hearts of men.

ROYAL JOHNSON knew the innermost desire of his genuine American fellow men was to observe the golden rule—to do unto others as you would have them do unto you.

ROYAL JOHNSON knew that the great majority of Americans would want the defenders of Old Glory treated justly and fairly, for such has been the expression of our people since the Declaration of Independence.

ROYAL JOHNSON knew that a just pension system was not only very necessary for a free system of government, but also that it would be the most economical for the taxpayers of this Nation to maintain.

He knew that every American boy and girl who had studied history had the knowledge that the veterans of every war in which the United States had ever engaged had been compensated as justly as could be devised by the various administrations of our Government. And for that very reason these same boys and girls have always responded to the call for volunteers, thereby making it unnecessary for the United States to maintain a huge conscription army which would cost more than the amount awarded to those veterans who had served their country and to their dependents.

ROYAL JOHNSON knew, as do most informed people, that the veterans of many warring nations in Europe after the close of the World War were aggravated by the treatment they received at the hands of their respective governments, and that aggravation is the cause for much of the unrest in Europe today.

The American veteran returned home after the World War singing the praises of his Government. ROYAL JOHNSON was among those returning soldiers; he carried his loyalty and devotion to his country from the battlegrounds of war-torn Europe back to the Halls of Congress that breathes the very essence of American democracy. And he strove mightily to the end that all of those who served their country would be properly rewarded. God rest his soul.

MR. FISH. Mr. Speaker, I yield two and a half minutes to the gentleman from New Jersey [Mr. EATON].

MR. EATON. Mr. Speaker, during my years of service in this House I have found my greatest happiness and satisfaction in watching men on both sides of the aisle develop in ability, in character, and in service, and among these men none stands in my affection beyond that of our dear friend, ROYAL JOHNSON. I said to him when we first became acquainted and I could evaluate his qualities that it was fortunate and appropriate he was named "Royal," for, certainly, he was a son of the king. He had kingly qualities of courage, intelligence, and faithfulness. The sources of his wisdom, his tolerance, and his sense of justice lay deep in that silent, spiritual world from which all true men draw inspiration and guidance.

A few years ago on a glorious August day I stood at Montfaucon, in France, representing this body in the dedication of a great war monument. The President of France spoke, the President of the United States sent a message across the sea, great generals were there, great armies were massed, but the supreme moment came when three young men stood up, all Army chaplains, one a Roman Catholic priest, one a Protestant preacher, and one a little Jewish rabbi who had lost his eyes in that grim battle, and as the crowd stood with bowed heads these young heroes of the faith lifted their hands toward the blue sky and called upon the one power that underlies this world and every other world to which we belong, the power of God; and it was in the faith of His presence and His power that ROYAL JOHNSON found inspiration for his courage, for his industry, for his self-sacrifice, and I cannot help but feel that today, as he stands in the sunlit presence of his divine Creator, if he could give us a message, it would be, "Still keep

your faith in the God in whose service I was willing to lay down my life; keep your faith in the great principles of freedom for which I stood and our country has stood from the beginning. Carry on and thus be worthy of those of us who have gone before."

MR. FISH. Mr. Speaker, I yield such time as he may desire to the gentleman from South Dakota [Mr. CASE].

MR. CASE of South Dakota. Mr. Speaker, if I can voice the sentiments of South Dakota today, it would be one of appreciation for the courtesy and the thoughtfulness of the House in setting aside this hour in memory of ROYAL JOHNSON.

I would speak for a few minutes about the South Dakota background of ROYAL JOHNSON, because only as you know the soil out of which a man springs, and only as you know something of the sunshine and the rain of his early years do you really understand the man.

Royal was the son of an early South Dakota printer. His father established the Highmore Herald, and lost it in the depression of 1893. Those were the days when the homesteader was invading the cattle country. Young JOHNSON knew what it was to pick up buffalo chips for fuel at home, to pull an old Washington hand press for his father at the print shop, and to punch cows for ranchers to get spending cash.

He worked his way through the State university by playing semipro baseball in the summer, back in those days when it was both moral and legal to sweat and when "sit down" strikes were unknown. No one should wonder that the Republicans frequently won the congressional ball games during his playing days here. They only ended when war wounds got his legs.

Others speak of Royal as a Member of Congress who voted against the war, then enlisted as a private in an officers' training camp, where he won a first lieutenant's commission. The truth is that he was captain of a South Dakota National Guard company that for 3 years ran off with honors at the national encampments. He could have asked for a major's field commission had he not had conscientious scruples against doing things the easy way. Incidentally, following his death last summer, I introduced a bill to give him a promotion and place him on the emergency officers' retired list, a bill which has not yet been reported by the committee that has it in charge.

After graduation from law school, Royal went back to his home town to break into law practice. He literally did just that. He opposed the town banker and the established legal patriarch by taking the case of a Civil War veteran on whose farm the bank was seeking to foreclose a mortgage. He won the case and saved the farm.

At 25 he ran for county attorney, bucking the local machine. Civil War veterans carried his campaign by horse and buggy to every home in the county. He lost the county-seat town, but he won the country and the election.

That assured him an income of \$400 a year. He promptly went to Arizona and persuaded a girl he had met at the university that he was now a man of affluence. She became Florence Johnson, now known and loved by many Washington people.

Two years later his university friends scattered throughout the State backed him, and at 28 he became the youngest attorney general in the United States. And such were the times and such were the ideals of my father that we hitched up the team for a 24-mile drive to hear ROYAL JOHNSON deliver the high-school commencement address at the county seat. That was in the spring of 1912, I think, and gave me my first sight of ROYAL JOHNSON.

As attorney general, he cleaned up a lot of old legal practices in the State, and it was generally accepted that he would go on to other honors. In one campaign it is said that he came to a stream swollen by floods. Others in the party turned back, but Royal stripped, rolled his clothes into a ball, threw them across, and then swam the stream and went on to keep his speaking date.

He was elected to Congress in 1914, and represented the old Second District for 18 years, the longest period a South Dakotan has served. He succeeded another distinguished South

Dakotan, the Honorable Charles Burke, who served for 14 years and then went on to other posts in service of the Nation, and who is here with us today. Of ROYAL JOHNSON's service in Congress, I need add nothing to what others are saying.

Royal never forgot his close comrades in arms. He was one of the incorporators of the first American Legion posts in the country, the original General Pershing Post, of Washington, later renamed George Washington Post, No. 1. That was March 5, 1919, 10 days before the meetings in Paris. A few days before he died he contacted me to see if he could help in arranging a transfer to a diagnostic center for Hook Phares, a grand old soldier. Hook had put up his age to go to the Philippines in 1898, and later put it down to go to France with the National Guard outfit for whom he cooked on the Mexican border. On the front lines, when Royal was wounded, Hook nursed him until he could be hospitalized. Royal sent word to me, "Do everything you can for Hook. He saved my life." Only a few days after we saw Royal laid away in Arlington Cemetery I saw Hook at Hines Hospital, Chicago. He was only a shadow of the man he had been, a misshapen wreck in the last throes of stomach cancer. But he asked about Royal's death, and Royal's last comment about him helped another soldier to die in peace.

When the service was over at Arlington last August some of us saw a sacred, simple, eloquent thing happen. One of Royal's sons, supporting his mother on his arm, turned smartly toward the grave, drew himself to full attention, then gave his father a soldier's salute. That was his farewell.

We all salute him today—a great South Dakotan, a true American.

Mr. RANKIN. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Speaker, I did not have the privilege of serving with our colleague and comrade, the late ROYAL JOHNSON, but I have been able to see the work done by him and the groundwork laid by him as chairman of the committee of which the distinguished gentleman from Mississippi is now chairman and which I have the privilege of being a member.

As the elected head of War Veterans in Congress, which numbers more than 185 Members in the House and Senate, I pay tribute to Hon. ROYAL JOHNSON on behalf of all war veterans in Congress.

Colleague is a precious name. Associations in the Halls of Congress form eternal friendships, and those who were able to call ROYAL JOHNSON colleague and who served with him have today paid a fine and deserved tribute to that brave soldier, courageous legislator, and that fine American. You have called him colleague and friend. You have referred to the fine services which he rendered. Going back in the records of the CONGRESSIONAL RECORD, you will find that before the war and after the war, as well as the service he rendered on the field of battle during the war, he was always rendering service. He was stalwart and courageous in his views. He dared to do that which he thought to be just, and he stood by his convictions. Having voted against a declaration of war, in the concluding statement of a speech he made on the floor of this House he said:

No Member of the Congress will do more to assist a vigorous prosecution of the war than I will.

This he did well and nobly and in such a manner as to deserve the commendation of those who called him colleague, or those who called him friend, and those many more who called him comrade.

Throughout the Nation today those who are recipients of benefits, those who are in hospitals, those who are getting compensation or pensions, can well be grateful for the early work which ROYAL JOHNSON did when he was pioneering, so to speak, in the field of World War veterans' legislation. I add my voice to the many voices that have been raised today in paying tribute to a colleague, to a friend, to a comrade, to a great citizen, to a brave soldier, and a distinguished Member of this House. [Applause.]

Mr. FISH. Mr. Speaker, I yield the remainder of my time on this side to the gentleman from South Dakota

[Mr. MUNDT], who now represents the district that ROYAL JOHNSON represented in this House for 18 years.

The SPEAKER. The gentleman is recognized for 2½ minutes.

Mr. RANKIN. Mr. Speaker, I yield the gentleman from South Dakota 2½ minutes.

Mr. MUNDT. Mr. Speaker, on that sad day last August when ROYAL C. JOHNSON answered the last roll call, America lost a distinguished citizen, and South Dakota lost a favorite son. Having the responsibility which I now have of representing the district which he so well represented for 18 years, I have come to know what the people of his home district thought about ROYAL JOHNSON.

As I travel the highways and the byways of this district, as we Congressmen must every other year, I have met both the citizens of his own party and those who opposed him in election, and I have found them all sharing and reflecting the same attitudes and opinions about ROYAL JOHNSON which have been so eloquently expressed here today by his colleagues. ROYAL JOHNSON had and has a host of friends in his home district, and in his home State of South Dakota. Nothing which he ever did or said cost him the friendship of the people of his home State, including both those of the party supporting him and those of the party opposing him. After the election and between campaigns all recognized the valor and gallantry and friendship and patriotism of ROYAL JOHNSON.

As the Representative of that district which was his, I thank you all for your courtesy and thoughtfulness in setting this hour apart from our busy lives and dedicating it to the memory of ROYAL JOHNSON. As I listened to this ceremony I could not help recalling a statement which he made to a group of fellows sitting in a hotel room, not as the expression of a politician speaking from a platform, where he might have been inclined to engage in something resembling demagoguery, but in private conversation with some friends during that interim of time between when war was declared in Europe and the time when this country became involved. Speaking to a group of his friends he said one night, "I can never make myself come to the point where I shall vote to put this country into war unless in the same speech in which I recommend our entrance I also announce the fact that I am willing to fight for the cause to which I would be offering the living sacrifices of thousands and millions of mothers throughout America."

I have reflected since that he not only kept that pledge he made to some friends of his, but that when he had to meet the challenge he did something even more significant. Having weighed the evidence and decided in his opinion that America should have no part in the active conflict of that war, having appeased his conscience by voting against the entrance into war, in spite of that, he volunteered his services as a private and marched gallantly into war, and when there, took a leading part, as has been so eloquently expressed by those who were friends of his, in the front line trenches, in the front lines of those going over the top, getting wounded, winning the highest military distinctions and honors this Government can bestow. Then he came back again to serve the cause of peace, because at the time of his death ROYAL JOHNSON belonged to the Committee to Keep America Out of War, and he stood at that time as he stood throughout his career, an opponent of war, a believer that America can make her best contribution to the world by maintaining a peace in which men govern themselves.

I am sure that if ROYAL C. JOHNSON could have his way today he would want this ceremony dedicated to the hope that the men of this Congress' will, and the Executive of this Nation will, adhere steadfastly to a policy of peace, and convey to all the world that this country will not again send American boys to die on foreign soil. By so doing we can give substance today to the ideals for which ROYAL C. JOHNSON made so many sacrifices.

Mr. FISH. Mr. Speaker, the gentleman from Mississippi has yielded me one-half minute. I yield that to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, I want to participate in tribute to the late ROYAL C. JOHNSON, of South Dakota, lawyer, soldier, statesman, and all-round American. His career of public service to his State and to his country was a long one and an honorable and distinguished one. He interrupted his service in Congress to enlist in the Army in January 1918. He served in the Three Hundred and Thirteenth Infantry as private, sergeant, second lieutenant, and first lieutenant, and was wounded in September 1918. The luster of his military record is enhanced by the fact that he was awarded the Distinguished Service Cross by the United States Government and the Croix de Guerre with gold star by the Republic of France. Returning to Congress, he became the first chairman of the House Committee on World War Veterans' Legislation; and while his legislative interests and activities were comprehensive, he is probably best remembered and most loved for his distinguished and unselfish service to veterans of all wars of the United States in general and to the American veterans of the World War in particular. He served his country and his fellow man in war and in peace. He was for many years a distinguished Member of this body. In all of it he was a human, kindly, lovable character, with friends everywhere. We in Nebraska were proud to have ROYAL JOHNSON as our neighbor. He visited us many times; and by his speeches, his friendliness, and his good humor he endeared himself to the people of a State wherein his circle of personal acquaintances was large.

Mr. RANKIN. Mr. Speaker, having served with ROYAL JOHNSON for many years as ranking Democrat on the Veterans' Committee while he was chairman, and 2 years as chairman while he was the ranking Republican, I am probably in a better position than any other man alive to understand the heartaches that he experienced in his services in that capacity.

He was a worthy and splendid chairman and his heart beat in sympathy for the disabled veterans of the World War. He was my friend.

Someone has said:

I wrote my name upon the sand
And trusted it would stand for aye,
But soon the reffluent sea
Had washed my feeble words away.

I carved my name upon the wood
And after years returned again.
I missed the shadow of the tree
That stretched of old upon the plain.

The solid marble next my name
I gave as a perpetual trust,
An earthquake rent it to its base,
Now it lies o'er laid with dust.

All these had failed; I was perplexed.
I turned and asked myself, What then?
If I would have my name endure,
I'll write it on the hearts of men.

ROYAL JOHNSON wrote his name on the hearts of his fellow men, and especially upon the hearts of his colleagues in this House. He was a patriot; he was a worthy representative of his country on the field of battle; but, above all, he had the courage and patriotism to vote his convictions as a Member of this body.

I was one of the last Members who ever conferred with him. Among other things, he said, "I have a grandson, Royal Johnson, 2d. God forbid that he should ever be called to fight the Nation's battles on foreign soil." He was for peace; for keeping America out of entangling alliances and for keeping American soldiers out of foreign countries. That was one of the burdens of his heart. He was for the safety of small nations; he believed in making the world safe for democracy. But he wanted to see the end of these useless, senseless wars that are today threatening the destruction of civilization. He longed to live to see the restoration of world peace, the dawn of that golden age of which Tennyson dreamed when he said:

For I dipt into the future, far as human eye could see,
Saw the Vision of the world, and all the wonder that would be;
Saw the heavens fill with commerce, argosies of magic sails,
Pilots of the purple twilight, dropping down with costly bales;

Heard the heavens fill with shouting, and there rained a ghastly dew
From the nations' airy navies grappling in the central blue;
Far along the world-wide whisper of the south-wind rushing warm,
With the standards of the peoples plunging through the thunder-storm;

Till the war-drum throbbed no longer and the battle-flags furled
In the parliament of man—the federation of the world.
There the common sense of most shall hold a fretful realm in awe,
And the kindly earth shall slumber, lapt in universal law.

STATE ACCOUNT OF ADVANCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State and the accompanying draft of proposed legislation designed to permit the Secretary of State to authorize disbursements of appropriated funds under a "State account of advances."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1940.

INSTALLATION AND MAINTENANCE OF TELEPHONES IN RESIDENCES OF AMERICAN AMBASSADORS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

There are transmitted herewith a report of the Secretary of State and a draft of a proposed amendment to existing legislation designed primarily to provide for the installation and maintenance of telephones in the official residences of American Ambassadors, Ministers, and officers of the Foreign Service, which the Government is acquiring by purchase or lease, or constructing in various foreign countries under the provisions of the Foreign Service Buildings Act of May 7, 1926.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1940.

REPORT OF COMMISSION OF FINE ARTS (H. DOC. NO. 648)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on the Library and ordered printed, with illustrations:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Commission of Fine Arts of their activities during the period January 1, 1935 to December 31, 1939.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1940.

COMMITTEE ON LABOR

Mr. KELLER. Mr. Speaker, I ask unanimous consent on behalf of the chairman of the Committee on Labor, that the Committee on Labor may sit during the session of the House this afternoon.

The SPEAKER. Without objection, it is so ordered.
There was no objection.

EXTENSION OF REMARKS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the seventy-fourth anniversary of the entry of my State, Nebraska, into the Union, and to include therein a newspaper article regarding this anniversary.

The SPEAKER. Without objection, it is so ordered.
There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a short newspaper article.

The SPEAKER. Without objection, it is so ordered.
There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a statement of the principles of the Democratic Motion Picture Committee of Hollywood.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein an address to the Central Housing Committee on February 17, 1940, prepared by the Speaker of the House.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BRADLEY of Michigan asked and was given permission to extend his own remarks in the RECORD.

PRESIDENTIAL THIRD TERMS

Mr. EDWIN A. HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN A. HALL. Mr. Speaker, last week there came from the Legislature of the State of New York a resolution calling upon the Congress of the United States to take adequate, expedient, and proper steps to limit the length of the tenure of office of a President to two terms. Accordingly, I am introducing, at this time, joint resolutions to this effect, which I will proceed to read as long as my time permits.

Joint resolution proposing an amendment to the Constitution of the United States with respect to the ineligibility of a President to a third term

Resolved by the Senate and House of Representatives of the United States in Congress assembled (two-thirds of each House concurring therein). That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. No person who has twice been elected to the office of President shall again be eligible to be elected to such office or to execute such office for the whole or any part of another term.

"Sec. 2. This article shall be inoperative unless it shall have been ratified by an amendment to the Constitution within 7 years from the date of its submission to the States by Congress."

Joint resolution prohibiting payment of compensation for a President during his third term of office

Resolved, etc., That no part of any appropriation heretofore or hereafter made shall be available to pay compensation of any President for any period during which he is executing that office during a third term.

Taking my cue from the Senate of New York State—my home State—I am today introducing legislation in the Congress dealing with the subject of a third term for the President of the United States. As a Member of Congress from the State of New York, I feel it a duty to attempt to reflect the wishes of the legislature of my home State upon the subject.

On September 17, 1796, George Washington, first President of the United States, delivered his Farewell Address to the American people. On that day the Father of our Country set down certain suggestions for the guidance of the American people. He openly refused to seek election for the third successive time even though it was within his easy reach. Had he chosen to do so, he could have made himself a totalitarian; but by his refusal to seek election for the third time, he established a tradition that to this day has remained unbroken.

In his Farewell Address President Washington said:

The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper * * * to decline being considered among the number of those of whom a choice is to be made.

I believe that this tradition established by Washington, of not seeking election to the Presidency for a third term,

forms the one remaining bulwark protecting the people of this Nation against the threat of the establishment of a dictatorship. If the calamity of a dictatorship should come to pass, the minorities, whose rights are now guaranteed under our Constitution, will be placed in jeopardy. They will be accorded the same treatment now given them in certain countries of Europe.

It is, I am sure, the intent of the New York State Legislature by its resolution to urge the Congress of the United States to enact suitable legislation to prevent any President from seeking a third term. In this matter I am glad to be an instrument to bring that desire before the House at this time.

ALBANY, February 26, 1940.

Whereas on September 17, 1796, George Washington, first President of the United States, delivered his Farewell Address to the American people; and

Whereas on that day the Father of Our Country set down certain suggestions for the guidance of the American people; and

Whereas by his refusal to seek election for the third time he established a tradition that to this day has remained unbroken; and

Whereas in his Farewell Address President Washington said: "Friends and citizens, the period for a new election of a citizen, to administer the Executive Government of the United States, being not far distant, and the time actually arrived, when your thoughts must be employed in designating the person, who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution that I have formed, to decline being considered among the number of those out of whom a choice is to be made."; and

Whereas this tradition of a President of the United States of not seeking election for a third term forms the one remaining bulwark protecting the people of this Nation against the threat of the establishment of a dictatorship; and

Whereas with the establishment of a dictatorship the minorities now accorded their rights under our Constitution will be swept aside and accorded the same treatment now given them in certain countries of Europe: Now, therefore, be it

Resolved (if the assembly concur). That the Congress of the United States be and hereby is memorialized to enact suitable legislation to prevent any President from seeking a third term and that a copy of this resolution be transmitted to the Vice President, the Speaker of the House of Representatives, and each Member of Congress from New York State.

By order of the senate.

WILLIAM S. KING, Clerk.

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, the gentleman from New York [Mr. HALL] just stated that the New York State Legislature passed a resolution to prevent any President from seeking a third term. However, as I understand it, every senator and assemblyman of the State legislature who voted for that resolution was a Republican. The Republicans of New York State know that if President Roosevelt is renominated he will be reelected and carry the State of New York, which they would like to prevent. [Applause.]

I am surprised that a Republican Member of the House of Representatives from the State of New York should rise on this floor and comment on a resolution adopted by Republicans in both branches of the New York State Legislature relative to the question of a third term. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I am not so much concerned with the resolution that you have just heard read, but I am very frank to admit that as a Republican I would like to see President Roosevelt renominated by the Democratic Party on the third-term issue so that it can be decided by the American people. This question was not decided alone by George Washington. I do not know whether he was a Republican or a Democrat. The third-term issue was decided by those great Democratic Presidents Thomas Jefferson, Madison, Monroe, and Jackson, and it became part and parcel of the principles of the Democratic Party and

part of the Democratic political creed. It was reaffirmed by Democratic Senators voting against a third term for Calvin Coolidge. The American people are against a third term and the setting up of a dictatorship in the United States. [Applause.]

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

YAKIMA INDIANS

The Clerk called the bill (H. R. 3824) to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ALASKA RAILROADS

The Clerk called the next bill, H. R. 4868, to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the request of the gentleman from Michigan?

There was no objection.

EMPOWERING CERTAIN UNITED STATES INDIAN SERVICE OFFICERS TO MAKE ARRESTS

The Clerk called the next bill, H. R. 5409, to authorize certain officers of the United States Indian Service to make arrests in certain cases and for other purposes.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

PAYMENT OF AWARDS OF SPECIAL MEXICAN CLAIMS COMMISSION

The Clerk called the next bill, H. R. 1821, to provide for the payment in full of the principal of awards of the Special Mexican Claims Commission.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT, Mr. BEAM, and Mr. KEAN objected.

MEXICAN CLAIMS

The Clerk called the next bill, S. 326, for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KEAN, Mr. FISH, Mr. COSTELLO, and Mr. BEAM objected.

TRIAL OF GOOD BEHAVIOR OF UNITED STATES DISTRICT JUDGES

The Clerk called the next bill, H. R. 5939, to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges.

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. SATTERFIELD]?

There was no objection.

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent that the author of the bill H. R. 5939 may be permitted to insert a brief statement in the Record as to the purpose of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. SATTERFIELD]?

There was no objection.

LXXXVI—146

PASSAMAQUODDY BAY TIDAL POWER

The Clerk called the joint resolution (S. J. Res. 57) authorizing the Secretary of War to cause a completion of surveys, test borings, and foundation investigations to be made to determine the advisability and cost of putting in a small experimental plant for development of tidal power in the waters in and about Passamaquoddy Bay, the cost thereof to be paid from appropriations heretofore or hereafter made for such examinations.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this joint resolution may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

Mr. VAN ZANDT, Mr. WADSWORTH, and Mr. FADDIS objected.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. VAN ZANDT, Mr. WADSWORTH, and Mr. FADDIS objected.

EXPEDITIOUS SETTLEMENT OF DISPUTES WITH UNITED STATES

The Clerk called the next bill (H. R. 6324) to provide for the more expeditious settlement of disputes with the United States, and for other purposes.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice. The Rules Committee has granted a rule for the consideration of this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

Mr. WALTER. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CELLER. Mr. Speaker, I object.

ADDITIONS TO SEQUOIA NATIONAL FOREST, CALIF.

The Clerk called the next bill, H. R. 1790, to authorize additions to the Sequoia National Forest, Calif., through exchanges under the act of March 20, 1922, or by proclamation or Executive order.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

CROP INSURANCE FOR COTTON

The Clerk called the next bill, H. R. 6872, to amend the Federal Crop Insurance Act.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

OSAGE TRIBE OF INDIANS

The Clerk called the next bill, H. R. 6314, authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There was no objection.

NATIONAL MISSISSIPPI RIVER PARKWAY

The Clerk called the next bill, H. R. 3759, to authorize a National Mississippi River Parkway and matters relating thereto.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

NATIONAL LAND POLICY

The Clerk called the next bill, H. R. 1675, to establish a national land policy, and to provide homesteads free of debt for actual farm families.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. Wolcott]?

There was no objection.

KIOWA, COMANCHE, AND APACHE INDIANS

The Clerk called the next business, House Joint Resolution 290, referring the claims of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma to the Court of Claims for finding of fact and report to Congress.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this joint resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. Cochran]?

There was no objection.

DEVIL'S DEN SPRINGS, DECATUR COUNTY, GA.

The Clerk called the next bill, H. R. 4040, declaring Devils Den Springs, in Decatur County, Ga., to be nonnavigable.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all of Devils Den Springs, a tributary of the Flint River, in the county of Decatur, State of Georgia, extending approximately one and one-half miles in length, 10 feet deep at the mouth and from 20 to 40 feet deep in the vicinity of the springs, be, and the same is hereby, declared to be a nonnavigable stream within the meaning of the Constitution and laws of the United States of America, and is temporarily closed to navigation.

Sec. 2. That the right of Congress to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS MISSOURI RIVER, FLORENCE STATION, OMAHA, NEBR.

The Clerk called the next bill, H. R. 7069, authorizing Douglas County, Nebr., to construct, maintain, and operate a toll bridge across the Missouri River at or near Florence Station, in the city of Omaha, Nebr.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LIMITING THE PRESENT LAWS WITH RESPECT TO COUNSEL IN CERTAIN CASES

The Clerk called the next bill, H. R. 7032, to limit the operations of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

RELIEF OF INDIANS WHO HAVE PAID TAXES ON ALLOTTED LANDS

The Clerk called the next bill, H. R. 952, for the relief of Indians who have paid taxes on allotted lands for which patents in fee were issued without application by or consent of the allottees and subsequently canceled, and for the reimbursement of public subdivisions by whom judgments for such claims have been paid.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

BARRING OF CLAIMS AGAINST THE UNITED STATES

The Clerk called the next bill, H. R. 8150, providing for the barring of claims against the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. O'CONNOR. Reserving the right to object, Mr. Speaker, I should like to have the author of the bill, the gentleman from Missouri, explain the bill.

Mr. COCHRAN. Mr. Speaker, this bill was referred to the Expenditures Committee by the Comptroller General. It came in the form of the Annual Report of the Comptroller General through the Speaker of the House. There is no State in the Union that does not have a statute of limitations, but the Government has no general statute of limitations. The Comptroller General has annually urged the passage of a bill such as this, providing a statute of limitations for the filing of claims at the expiration of 6 years. The committee amended the bill and provided for a 10-year limitation rather than 6 years.

The Comptroller General called the attention of the Congress to the fact that tens of thousands of claims are filed annually, some growing out of the Revolutionary period, others out of the War of 1812-14, others out of the War with Mexico, the Civil War, the Indian War, the Spanish War, and so forth. Whenever a claim is filed, it is necessary to examine the old records. The great majority of the claims are denied, but the cost to the General Accounting Office for personnel to investigate the claims is tremendous. The General Accounting Office is overworked. It needs the personnel used to investigate claims for other purposes. Under the provisions of the bill as drawn by the General Accounting Office, where a claim is filed and the statute of limitations prevails, all that is necessary to do is to send a copy of the law to the claimant.

This bill absolutely affects no particular class of claims, as the gentleman seems to surmise. I know the gentleman is very much interested in Indian claims, but this bill has no bearing upon them whatever.

Mr. O'CONNOR. Of course, the gentleman's bill applies to all Indian claims? And as the gentleman is always active about Indian bills, naturally I am concerned about his bill.

Mr. COCHRAN. I do not know that it would apply to Indian claims, but the gentleman knows the Indians cannot sue the Government without the Government's consent. This is the reason Members come here asking for the passage of jurisdictional bills.

Mr. O'CONNOR. What is the gentleman's opinion on this question; suppose we pass the gentleman's bill; would that foreclose any further action on the part of Congress in passing jurisdictional bills?

Mr. COCHRAN. Absolutely not. It would have no bearing on the passage of any jurisdictional act. There is no connection whatever between this bill and a jurisdictional bill granting the Indians the right to go to the Court of Claims, or between this bill and any cases already pending there.

Mr. O'CONNOR. Does not the gentleman believe his bill is of sufficient importance that it should require consideration by the House before being passed?

Mr. COCHRAN. I may say that the Comptroller General has recommended this bill annually. He states that a very large amount of money is being spent in investigating these claims that should be saved. We provide a 6-year statute of limitations on the right of veterans to sue the Government under their war-risk insurance. If we can deny a man who has fought for his country the right to file a claim against the Government after 6 years, then we ought to be able to deny to other citizens the right to file claims that are 100 years old; 10 years is certainly reasonable. Let me say again to the gentleman that this has absolutely no bearing upon any jurisdictional acts granting Indians the right to go to the Court of Claims.

Mr. O'CONNOR. I do not believe we should deny the veteran or any other person the right to present his claim after 6 or 10 years, and therefore, Mr. Speaker, I object.

Mr. COCHRAN. The law affecting the veteran's right to file claims is already in the statute books. This bill does not affect that statute.

Mr. O'CONNOR. Then why does the gentleman want to pass this bill?

Mr. COCHRAN. To outlaw all claims against the Government after a period of 10 years.

The SPEAKER pro tempore. The gentleman from Montana objects. Is there further objection?

Mr. KRAMER. I object, Mr. Speaker.

The SPEAKER pro tempore. Three objections are required. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That every claim or demand against the United States cognizable by the General Accounting Office under section 305 of the Budget and Accounting Act of June 10, 1921 (42 Stat. 24), and the act of April 10, 1928 (45 Stat. 413), shall be forever barred unless such claim, bearing the signature and address of the claimant or of an authorized attorney, shall be received in said Office within 10 full years after the date such claim first accrued: *Provided,* That when a claim of any person serving in the military or naval forces of the United States accrues in time of war, or when war intervenes within 5 years after its accrual, such claim may be presented within 5 years after peace is established.

SEC. 2. Whenever any claim barred by section 1 shall be received in the General Accounting Office, it shall be returned to the claimant with a copy of this act, and such action shall be a complete response without further communication.

Mr. WOLCOTT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 1, line 8, after "authorized", insert "agent or."

Mr. WOLCOTT. Mr. Speaker, I have offered this amendment to the bill, to have the words "agent or" inserted after the word "authorized," in line 8, because there may be some legal question as to whether the word "attorney" includes "agent," or whether "agent" includes "attorney." This is merely clarifying language so that if you are not an attorney you may be authorized to act as an agent for the individual who makes the claim, and the claim would have the same status as if it had been filed by the individual or by an attorney.

Mr. COCHRAN. I have no objection to the amendment, Mr. Speaker.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF CROP-LOAN LAW

The Clerk called the next bill, H. R. 7878, to amend the crop-loan law relating to the lien imposed thereunder, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISCRIMINATION AGAINST GRADUATES OF CERTAIN SCHOOLS

The Clerk called the next bill, S. 1610, to prevent discrimination against graduates of certain schools, and those acquiring their legal education in law offices, in the making of appointments to Government positions the qualifications for which include legal training or legal experience.

Mrs. ROGERS of Massachusetts. Mr. Speaker, reserving the right to object, it seems to me this bill should come up and be considered under a rule of the House. It is a very important measure. It may be very far reaching. I believe the Members have a right to free and open discussion of the bill. The lawyers of the Government have the handling of claims and the protection of the rights of the Government in cases involving millions of dollars, and also Mr. Justice Reed's Committee on Civil Service Improvement has not yet sent in a report. That committee was appointed and is giving extensive study to the problem of legal positions in the Government. I think we should wait until after that time before acting on this bill, and therefore I shall be obliged to object.

Mr. ELLIS and Mr. LEWIS of Colorado also objected, and the bill was stricken from the calendar.

MILEAGE TABLES FOR THE UNITED STATES ARMY AND OTHER GOVERNMENT AGENCIES

The Clerk called the next bill, S. 506, relating to mileage tables for the United States Army and other Government agencies, and to mileage allowances for persons employed in the offices of Members of House and Senate.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DELAWARE TRIBE OF INDIANS

The Clerk called the next bill, H. R. 6535, authorizing an appropriation for payment to the Delaware Tribe of Indians on account of permanent annuities under treaty provision.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AMENDMENT OF LAWS GOVERNING FEDERAL PRISONERS

The Clerk called the next bill, H. R. 7343, to amend certain laws governing Federal prisoners and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of July 3, 1926 (44 Stat. 901; U. S. C., title 18, sec. 746), be amended to read as follows:

"That on the discharge from any institution of any person convicted under the laws of the United States he shall be furnished with transportation to the place of conviction or place of bona fide residence within the United States at the time of his commitment under sentence of the court, or to such place within the United States as may be authorized by the Attorney General. In the direction of the Attorney General, he may also be furnished with suitable clothing and an amount of money not to exceed \$20. For the furnishing of such clothing and money charge shall be made and allowed in the accounts of the said institution with the United States."

SEC. 2. Section 3 of the act of May 13, 1930 (46 Stat. 272; U. S. C., title 18, sec. 723c), is amended to read as follows:

"SEC. 3. The said Board, or any member thereof, shall hereafter have the exclusive authority to issue warrants for the retaking of any United States prisoner who has violated his parole. The unexpired term of imprisonment of any such prisoner shall begin to run from the date he is returned to the custody of the Attorney General under said warrant, and the time the prisoner was on parole shall not diminish the time he was originally sentenced to serve."

SEC. 3. Section 5 of the act of June 25, 1910 (36 Stat. 820; U. S. C., title 18, sec. 718), is amended to read as follows:

"SEC. 5. That any officer of any Federal, penal, or correctional institution or any Federal officer authorized to serve criminal process within the United States, to whom such warrant shall be delivered, is authorized and required to execute such warrant by taking such prisoner and returning him to the custody of the Attorney General. All necessary expenses incurred in the administration of this act shall be paid out of the appropriation for the institution in connection with which such expense was incurred, and such appropriation is hereby made available therefor."

SEC. 4. Section 6 of the act of June 25, 1910 (36 Stat. 820; U. S. C., title 18, sec. 719), is amended to read as follows:

"SEC. 6. When a prisoner has been retaken upon a warrant issued by the Board of Parole, he shall be given an opportunity to appear before said Board of Parole, a member thereof, or an examiner designated by the Board. The said Board may then, or at any time in its discretion, revoke the order and terminate such parole or modify the terms and conditions thereof. If such order of parole shall be revoked and the parole so terminated, the said prisoner shall serve the remainder of the sentence originally imposed; and the time the prisoner was out on parole shall not be taken into account to diminish the time for which he was sentenced."

SEC. 5. Section 5296 of the Revised Statutes (U. S. C., title 18, sec. 641) is amended to read as follows:

"SEC. 5296. When a poor convict, sentenced by any court of the United States to be imprisoned and pay a fine, or fine and costs, or to pay a fine, or fine and costs, has been confined in prison 30 days, solely for the nonpayment of such fine, or fine and costs, such convict may make application in writing to any commissioner of the United States court in the district where he is imprisoned setting forth his inability to pay such fine, or fine and costs, and after notice to the district attorney of the United States, who may appear, offer evidence, and be heard, the commissioner shall proceed to hear and determine the matter. If on examination it shall appear to him that such convict is unable to pay such fine, or fine and costs, and that he has not any property exceeding \$20 in value, except such as is by law exempt from being taken on execution for debt, the commissioner shall administer to him the following oath: 'I do solemnly swear that I have not any property, real or personal,

to the amount of \$20, except such as is by law exempt from being taken on civil process for debt by the laws of (naming the State where oath is administered); and that I have no property in any way conveyed or concealed, or in any way disposed of, for my future use or benefit. So help me God.' Upon taking such oath such convict shall be discharged; and the commissioner shall give to the keeper of the jail a certificate setting forth the facts. In case the convict is found by the commissioner to possess property valued at an amount in excess of said exemption, nevertheless, if the Attorney General finds that the retention by such convict of all of such property is reasonably necessary for his support or that of his family, such convict shall be released without further imprisonment solely for the nonpayment of such fine, or fine and costs; or if he finds that the retention by such convict of any part of such property is reasonably necessary for his support or that of his family, such convict shall be released without further imprisonment solely for nonpayment of such fine or fine and costs upon payment on account of his fine and costs, of that portion of his property in excess of the amount found to be reasonably necessary for his support or that of his family."

Sec. 6. Section 7 of the act of May 14, 1930 (46 Stat. 326; U. S. C., title 18, sec. 753f), is amended to read as follows:

"Sec. 7. Hereafter all persons convicted of an offense against the United States shall be committed, for such terms of imprisonment as the court may direct, to the custody of the Attorney General of the United States or his authorized representative, who shall designate the places of confinement where the sentences of all such persons shall be served. Two or more sentences of imprisonment imposed upon different counts of the same indictment or of the same information, or on different indictments or informations, may be served in the same institution, regardless of the length of the several sentences and irrespective of whether they are to be served concurrently or consecutively. The Attorney General may designate any available, suitable, and appropriate institutions, whether maintained by the Federal Government or otherwise, or whether within or without the judicial district in which the person was convicted. The Attorney General is also authorized to order the transfer of any person held under authority of any United States statute from one institution to another if in his judgment it shall be for the well-being of the prisoner or relieve overcrowded or unhealthful conditions in the institution where such prisoner is confined or for other reasons."

Sec. 7. The act of May 14, 1930 (46 Stat. 325; U. S. C., title 18 sec. 753j), as amended, is amended by inserting after section 11 the following section:

"Sec. 12. Officers and employees of the Bureau of Prisons of the Department of Justice are empowered to make arrests without warrant for violations of any of the provisions of sections 9, 10, and 11 of this act if the person making the arrest has reasonable grounds to believe that the person so arrested is guilty of such offense, and if there is likelihood of the person escaping before a warrant can be obtained for his arrest. If the person so arrested is a fugitive from custody, he shall be returned to custody, and all other persons so arrested shall immediately be taken before a committing officer. Officers and employees of the said Bureau of Prisons are authorized and empowered to carry firearms under such rules and regulations as the Attorney General may prescribe."

With the following committee amendments:

Pages 1 and 2, strike out all of section 1 of the bill from page 1, line 3, to page 2, line 5, inclusive.

Page 2, on line 6, strike out "Sec. 2" and insert in lieu thereof the word "That."

Page 2, line 17, strike out "Sec. 3" and insert in lieu thereof "Sec. 2."

Page 3, line 5, strike out "Sec. 4" and insert in lieu thereof "Sec. 3."

Page 3, line 20, strike out "Sec. 5" and insert in lieu thereof "Sec. 4."

Pages 5 and 6, strike out all of section 6 of the bill from page 5, line 12, to page 6, line 12, inclusive.

Page 6, line 13, strike out "Sec. 7" and insert in lieu thereof "Sec. 5."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time; was read the third time, and passed, and a motion to reconsider was laid on the table.

FOREIGN EXHIBITORS AT THE GOLDEN GATE INTERNATIONAL EXPOSITION

The Clerk called the next business, House Joint Resolution 433, to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1940.

There being no objection, the Clerk read the joint resolution as follows:

Resolved, etc., That the Librarian of Congress and the Commissioner of Patents are hereby authorized and directed to establish branch offices under the direction of the Register of Copyrights and the Commissioner of Patents, respectively, in suitable quarters on the grounds of the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1940, under the direction of the San Francisco Bay Exposition, a California corporation, said quar-

ters to be furnished free of charge by said corporation, said offices to be established at such time as may, upon 60 days' advance notice, in writing, to the Register of Copyrights and the Commissioner of Patents, respectively, be requested by said San Francisco Bay Exposition, but not earlier than April 1, 1940, and to be maintained until the close to the general public of said exposition; and the proprietor of any foreign copyright, or any certificate of trademark registration, or letters patent of invention, design, or utility model issued by any foreign government protecting any trademark, apparatus, device, machine, process, method, composition of matter, design, or manufactured article imported for exhibition and exhibited at said exposition may, upon presentation of proof of such proprietorship satisfactory to the Register of Copyrights or the Commissioner of Patents, as the case may be, obtain without charge and without prior examination as to novelty, a certificate from such branch office, which shall be prima facie evidence in the Federal courts of such proprietorship, the novelty of the subject matter covered by any such certificate to be determined by a Federal court in case an action or suit is brought based thereon; and said branch offices shall keep registers of all such certificates issued by them, which shall be open to public inspection.

At the close of said Golden Gate International Exposition the register of certificates of the copyright registrations aforesaid shall be deposited in the Copyright Office in the Library of Congress at Washington, D. C., and the register of all other certificates of registrations aforesaid shall be deposited in the United States Patent Office at Washington, D. C., and there preserved for future reference. Certified copies of any such certificates shall, upon request, be furnished by the Register of Copyrights or the Commissioner of Patents, as the case may be, either during or after said exposition, and at the rates charged by such officials for certified copies of other matter; and any such certified copies shall be admissible in evidence in lieu of the original certificates of any Federal court.

Sec. 2. It shall be unlawful for any person without authority of the proprietor thereof to copy, republish, imitate, reproduce, or practice at any time during the period specified in section 6 hereof, any subject matter protected by registration as aforesaid at either of the branch offices at said exposition which shall be imported for exhibition at said exposition, and there exhibited and which is substantially different in a copyright, trademark, or patent sense, as the case may be, from anything publicly used, described in a printed publication or otherwise known in the United States of America prior to such registration at either of said branch offices as aforesaid; and any person who shall infringe upon the rights thus protected under this act shall be liable—

(a) To an injunction restraining such infringement issued by any Federal court having jurisdiction of the defendant;

(b) To pay to the proprietor such damages as the proprietor may have suffered due to such infringement, as well as all the profits which the infringer may have made by reason of such infringement, and in proving profits the plaintiff shall be required to prove sales only and the defendant shall be required to prove every element of cost which he claims, or in lieu of actual damages and profits such damages as to the court shall appear to be just;

(c) To deliver upon an oath, to be impounded during the pendency of the act, upon such terms and conditions as the court may prescribe, all articles found by the court after a preliminary hearing to infringe the rights herein protected; and

(d) To deliver upon an oath, for destruction, all articles found by the court at final hearing to infringe the rights herein protected.

Sec. 3. Any person who willfully and for profit shall infringe any right protected under this act, or who shall knowingly and willfully aid or abet such infringement, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by imprisonment for not exceeding 1 year or by a fine of not less than \$100 nor more than \$1,000, or both, in the discretion of the court.

Sec. 4. All the acts, regulations, and provisions which apply to protecting copyrights, trademarks, designs, and patents for inventions or discoveries not inconsistent with the provisions of this act shall apply to certificates issued pursuant to this act, but no notice of copyright on the work shall be required for protection hereunder.

Sec. 5. Nothing contained in this act shall bar or prevent the proprietor of the subject matter covered by any certificate issued pursuant to this act from obtaining protection for such subject matter under the provisions of the copyright, trademark, or patent laws of the United States of America, as the case may be, in force prior hereto, and upon making application and complying with the provisions prescribed by such laws; and nothing contained in this act shall prevent, lessen, impeach, or avoid any remedy at law or in equity under any certificate of copyright registration, certificate of trademark registration, or letters patent for inventions or discoveries or designs issued under the copyright, trademark, or patent laws of the United States of America, as the case may be, in force prior hereto, and which any owner thereof and of a certificate issued thereon pursuant to this act might have had if this act had not been passed, but such owner shall not twice recover the damages he has sustained or the profit made by reason of any infringement thereof.

Sec. 6. The rights protected under the provisions of this act as to any copyright, trademark, apparatus, device, machine, process, method, composition of matter, design, or manufactured article imported for exhibition at said Golden Gate International Exposition shall begin on the date the same is placed on exhibition at said exposition and shall continue for a period of 6 months from the date of the closing to the general public of said exposition.

Sec. 7. All necessary expenses incurred by the United States in carrying out the provisions of this act shall be reimbursed to the Government of the United States by the San Francisco Bay Exposition, under regulations to be prescribed by the Librarian of Congress and the Commissioner of Patents, respectively; and receipts from such reimbursements shall be deposited as refunds to the appropriations from which such expenses were paid.

Sec. 8. Section 6 of Public Resolution No. 35, of the Seventy-fifth Congress, approved May 28, 1937, is hereby amended by adding thereto at the end thereof immediately before the period the words "in 1940."

With the following committee amendments:

Section 2, page 4, lines 14 and 19, strike out "upon an" and insert "up on."

Section 2, page 4, line 15, strike out "act" and insert "action."

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEASING OF RESTRICTED ALLOTMENTS OF DECEASED INDIANS

The Clerk called the bill (H. R. 8024) to provide for the leasing of restricted allotments of deceased Indians in certain circumstances, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

UNIVERSITY OF NEW MEXICO

The Clerk called the bill (H. R. 5961), granting to the regents of the University of New Mexico the right to alienate certain lands conveyed to them under authority of the act of Congress, approved August 19, 1935 (Public, No. 284, 74th Cong.), in exchange for an equivalent amount of land more expediently situated.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the regents of the University of New Mexico be, and they are hereby, authorized to convey to the Santa Ana Pueblo that certain portion of the lands patented to them under authority of the act of Congress, approved August 19, 1935 (Public, No. 284, 74th Cong.), described as follows:

A strip of land one hundred feet wide extending along the north and west boundaries of the northwest quarter section 30, and a strip of land one hundred feet wide extending along the north boundary of lot 7, section 30, all in township 13 north, range 4 east, New Mexico principal meridian, New Mexico, these tracts comprising thirteen and three-tenths acres, more or less;

That the pueblo of Santa Ana, a community of Pueblo Indians residing in New Mexico with the approval of the Secretary of the Interior, is hereby authorized to convey to the regents of the University of New Mexico and the said regents of the University of New Mexico are hereby authorized to accept from the said Santa Ana Pueblo in exchange for the aforesaid lands, the lands described as follows:

Beginning at a point on the south boundary of the El Ranchito grant, which is also on the west bank of the Rio Grande, township 13 north, range 4 east; thence north eighty-nine degrees fifty-nine minutes west one hundred and twenty-eight feet to a point on the said south boundary of the El Ranchito grant; thence north sixteen degrees forty minutes east two thousand three hundred and eighty-seven and nine-tenths feet to a point on the west boundary of the El Ranchito grant; thence north eight degrees fifty minutes east one thousand six hundred and forty-two and seven-tenths feet to a point on the west boundary of the El Ranchito grant; and which is nine hundred and forty-nine and nine-tenths feet south eight degrees fifty minutes west from the section line between sections 30 and 19 of township 13 north, range 4 east; thence south sixty-three degrees forty minutes east to the west bank of the Rio Grande; thence in a southerly direction along the west bank of the Rio Grande to the place of beginning, and containing eleven and eight-tenths acres, more or less: *Provided*, That any lands conveyed to the pueblo of Santa Ana pursuant to the provisions of this act shall acquire the same legal status as those lands now owned by the pueblo, which may be conveyed to the regents of the University of New Mexico pursuant hereto.

With the following committee amendments:

Page 2, line 9, after the words "New Mexico", add a comma.

Page 2, line 14, strike out all language following the word "lands" down to the word "*Provided*", line 8, page 3, and in lieu thereof insert the following: "lots three and six and that portion of lot two, section thirty, township 13 north, range 4 east, New Mexico principal meridian, New Mexico, lying south of a line beginning at a point on the west boundary of lot two, north eight degrees fifty minutes east six hundred and ninety-two and eight-tenths

feet from an angle point one on the west boundary of the El Ranchito grant and bearing south sixty-three degrees forty minutes east to the west bank of the Rio Grande, containing a total area of eleven and eight-tenths acres, more or less."

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill granting to the regents of the University of New Mexico the right to alienate certain lands conveyed to them under authority of the act of Congress, approved August 19, 1935 (49 Stat. 659), in exchange for an equivalent amount of land more expediently situated."

A motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDING COPYRIGHT LAW

The Clerk called the bill (S. 547) to amend section 23 of the act of March 4, 1909, relating to copyrights.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That section 23 of the act of March 4, 1909 (35 Stat. 1080; U. S. C., title 17, sec. 23), is hereby amended by deleting from the second proviso clause thereof the words "when such contribution has been separately registered."

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ASSISTANT SURGEONS FOR TEMPORARY SERVICE, NAVY MEDICAL CORPS

The Clerk called the bill (S. 2284) to amend the act of May 4, 1898 (30 Stat. 369), so as to authorize the President to appoint 100 acting assistant surgeons for temporary service.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. DONDERO. Mr. Speaker, I reserve the right to object, and until I know something about the bill, I am constrained to object.

Mr. VINSON of Georgia. Mr. Speaker, if the gentleman will read the report, I am sure he will get the information he desires. The purpose of the bill is to permit the President to appoint temporarily 100 positions in the Medical Corps of the Navy with the rank of junior lieutenant. They will be kept there a probationary period, approximately 18 months, and from them they will cull out the officers they need, to put into the permanent organization of the Medical Corps. It does not increase the Medical Corps at all. The Medical Corps is not being increased over the number permitted by law by doing this. It is a better method to obtain the personnel.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of May 4, 1898, entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1899, and for other purposes" (30 Stat. 369), is hereby amended so that the last paragraph of the appropriation for the Bureau of Medicine and Surgery (30 Stat. 380), to which provides as follows: "The President is hereby authorized to appoint for temporary service 25 acting assistant surgeons, who shall have the relative rank and compensation of assistant surgeons", shall read as follows: "The President is hereby authorized to appoint for temporary service 100 acting assistant surgeons, who shall have the rank and compensation of assistant surgeons."

Mr. WOLCOTT. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, line 8, after the parenthesis, strike out the remainder of line 8; and strike out lines 9, 10, 11, and through the word "surgeons", line 1, page 2.

Mr. VINSON of Georgia. Mr. Speaker, as I understand it, the purpose of that amendment is to make the bill show exactly what the amendment is?

Mr. WOLCOTT. Mr. Speaker, it seems to me it is redundancy to begin with, and that we are adopting an entirely different policy in respect to the amendment of bills. I do not know of any bill which has ever been amended since I have been here wherein you set out the language of existing

law, and then set out the new language. You amend the bill by amending the last paragraph of the bill, so that it shall read in a particular manner. I do not like to see a practice grow up on the floor here whereby we recite the language of existing law and then set forth the new language, because it is not only redundant, but it is very confusing to have the language of the old law set out in the new law, as it becomes a part of the law and to the person who reads as he runs, he might confuse the existing law with the new law.

It is hereby amended so that the last paragraph of the appropriation for the Bureau of Medicine and Surgery, etc.

Mr. VINSON of Georgia. That is right.

Mr. WOLCOTT. My point is that you set forth in the amendment the existing law and then you set forth entirely different language.

Mr. VINSON of Georgia. No doubt, when the bill was prepared by the Judge Advocate General's Office, they had that thought in mind to carry out in the bill the Ramseyer rule, which it does in the bill. This is a Senate bill that was sent up.

Mr. WOLCOTT. There is nothing in the Ramseyer rule to indicate that existing law shall be set out in a new statute. Under the Ramseyer rule, it should be in the report.

Mr. VINSON of Georgia. I have no objection to it, provided it shows that the act is now being amended, which permits the President "is hereby authorized to appoint for temporary service 100 assistant acting surgeons."

Mr. WOLCOTT. I do not see how there could be any question as to what act or what paragraph is being amended. The bill is very clear and sets forth the new language. I think until the House, by rule, adopts a new policy with respect to the amendment of existing law we should adhere to the present practice, regardless of whether the Judge Advocate General wants it or not.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I trust that since the gentleman has called attention to this law he will allow the bill to go through in its present phraseology, with the assurance that in the future any bills that have a bearing on this will be in accordance with his line of thought, because I do not want to have to go to conference on this bill. It may upset exactly what the bill wants in connection with it. By a hasty examination of the amendment, it might be prejudicial to the bill, and I trust the gentleman will let it go through this time, with the assurance that bills of this kind in the future will be in accordance with his line of thought.

Mr. WOLCOTT. I may say that the reason I offered this amendment is because I have noticed a tendency in bills which have been introduced, now being considered by committees, to change the established policy of the House in this respect. I think we should have it decided today as to whether we want to change a policy which has been in existence as long as this Congress, respecting amendments of acts. If there is any particular reason why this should be put in, and it goes to the Senate and they convince the gentleman, I am sure the House will accept the Senate amendment to that effect.

Mr. VINSON of Georgia. It does not go to the merits of the matter. It is a matter of form.

Mr. WOLCOTT. It is perfectly innocuous.

Mr. VINSON of Georgia. I have no objection.

The SPEAKER pro tempore. Without objection, the amendment will be agreed to.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING ACT RELATIVE TO PAYMENT OF COMMUTED RATIONS OF ENLISTED MEN

The Clerk called the next bill, S. 3012, to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1903, and for other pur-

poses," approved July 1, 1902 (32 Stat. 662), relative to the payment of the commuted rations of enlisted men.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902 (32 Stat. 662), insofar as the provisions thereof are embodied in section 908 of title 34 of the United States Code, is hereby amended to read as follows:

"Money accruing from the commuted rations of enlisted men legally assigned to duty with officers' or other messes, afloat or ashore, may be paid under such regulations as may be prescribed by the Secretary of the Navy."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF CERTAIN SURPLUS LAND AT BREMERTON, WASH.

The Clerk called the next bill, H. R. 7081, authorizing the Secretary of the Treasury to sell certain surplus land owned by the United States in Bremerton, Wash.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized to sell at such price as he shall deem reasonable, and in connection with such sale to convey, all the right, title, and interest of the United States in and to the east 9-foot strip of lot 47, block 14, original plat of Bremerton, Kitsap County, Wash.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill authorizing the Secretary of the Navy to sell certain surplus land owned by the United States in Bremerton, Wash."

BULL LAKE DAM, RIVERTON IRRIGATION PROJECT, WYOMING

The Clerk called the next bill, S. 2843, granting easements on Indian lands of the Wind River or Shoshone Indian Reservation, Wyo., for dam-site and reservoir purposes in connection with the Riverton reclamation project.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby granted to the United States and its assigns, including its successors in control of the operation and maintenance of the Riverton reclamation project, Wyoming, a flowage easement and an easement for a dam site, together with all rights and privileges incident to the use and enjoyment of said easements, over tribal and allotted lands of the Wind River or Shoshone Indian Reservation within that part of said reservation required for the construction of the Bull Lake Dam and Reservoir on Bull Lake Creek, a tributary of the Wind River, in connection with the Riverton reclamation project, Wyoming, and for the impounding of approximately 155,000 acre-feet of water, including a 10-foot freeboard: *Provided,* That in consideration of the said rights insofar as they affect tribal lands there shall be deposited into the Treasury of the United States pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560), for credit to the Shoshone and Arapaho Indians of the Wind River Reservation the sum of \$6,500, from moneys appropriated for the construction of the said Bull Lake Dam and Reservoir, and the said sum when so credited shall draw interest at the rate of 4 percent per annum.

Sec. 2. That compensation to the individual Indian owners of the allotted lands within the area described in section 1 shall be made from moneys appropriated for the construction of the Bull Lake Dam and Reservoir at the appraised value of the easements: *Provided,* That should any individual Indian not agree to accept the appraised value of the easement as it affects his land the Secretary of the Interior be, and he is hereby, authorized to acquire such easement by condemnation proceedings.

Sec. 3. The easements herein granted shall not interfere with the use by the Indians of the Wind River or Shoshone Indian Reservation of the lands herein dealt with and the waters of Bull Lake Creek and the reservoir insofar as the use by the Indians shall not be inconsistent with the use of said lands for reservoir purposes.

Sec. 4. The Secretary of the Interior is authorized to perform any and all acts and to prescribe such regulations as may be necessary to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PURCHASING OF CLOTHING AND OTHER SUPPLIES ISSUED TO VETERANS

The Clerk called the next bill, H. R. 7660, to amend section 35B of the United States Criminal Code to prohibit purchase or receipt in pledge of clothing and other supplies issued to veterans maintained in Veterans' Administration facilities.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 35B of the Criminal Code of the United States, as amended by the act of June 18, 1934 (ch. 587, 48

Stat. 996), and Public Law No. 465, Seventy-fifth Congress, third session, April 4, 1938 (52 Stat. 957), as contained in United States Code, title 18, section 86, is hereby amended to read as follows: "Whoever shall purchase, or receive in pledge from any person any arms, equipment, ammunition, clothing, military stores, or other property furnished by the United States under a clothing allowance or otherwise, to any soldier, sailor, officer, cadet, or midshipman in the military or naval service of the United States or of the National Guard or Naval Militia, or to any person accompanying, serving, or retained with the land or naval forces and subject to military or naval law; or to any former member of such military or naval service at or by any hospital, home, or facility maintained by the United States; having knowledge or reason to believe that the property has been taken from the possession of the United States or furnished by the United States under such allowance, or otherwise, shall be fined not more than \$500 or imprisoned not more than 2 years, or both."

With the following committee amendment:

On page 1, line 6, after the abbreviation "Stat.," strike out the figures "957" and insert "197."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JURISDICTION OF UNITED STATES COURTS OVER CRIMES COMMITTED ON CERTAIN FEDERAL RESERVATIONS

The Clerk called the next bill, H. R. 8119, to amend the Criminal Code so as to confer concurrent jurisdiction on courts of the United States over crimes committed on certain Federal reservations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 272, paragraph Third of the Criminal Code (act of Mar. 4, 1909, sec. 272; 35 Stat. 1143; U. S. C., title 18, sec. 451) be amended to read as follows:

"Third. When committed within or on any lands reserved or acquired for the use of the United States, and under the exclusive or concurrent jurisdiction thereof, or any place purchased or otherwise acquired by the United States by consent of the legislature of the State in which the same shall be, for the erection of a fort, magazine, arsenal, dockyard, or other needful building."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OIL PORTRAIT OF CHARLES MOORE

The Clerk called the next business, House Joint Resolution 448, authorizing the Joint Committee on the Library to procure an oil portrait of Charles Moore.

There being no objection, the Clerk read the resolution as follows:

Resolved, etc., That the Joint Committee on the Library is hereby authorized to procure an oil portrait of Charles Moore, former Chairman of the Commission of Fine Arts, for the Smithsonian Institution, to be painted by an American artist, at a cost not to exceed \$2,500. The committee shall have the advice of the Commission of Fine Arts in accordance with the act of Congress approved May 17, 1910.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WORKMEN'S COMPENSATION ACT

The Clerk called the next bill, H. R. 2008, to increase the lump-sum payment made under the Workmen's Compensation Act in cases of permanent total disability suffered prior to February 12, 1927.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in all cases of permanent total disability of an employee of the United States, where such disability occurred prior to February 12, 1927, and such employee accepted a lump-sum payment in accordance with the provisions of section 14 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, such employee, if alive upon the date of enactment of this act, shall be entitled to receive the difference between the amount of the lump-sum payment received and the amount he would have received if, in computing the present value of future payments in accordance with the provisions of such section 14, the amount of so many of such future payments as would have become payable after February 12, 1927, had been computed at the rate provided for in said act, as amended by the act entitled "An act to amend an act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' approved September 7, 1916, and

acts in amendment thereof," approved February 12, 1927: *Provided*, That the age of the employee at the date of enactment of said act of February 12, 1927, shall be used in computing the amount of payments under this section: *Provided further*, That in computing the amount of so many of such future payments as would have become due from April 1, 1933, to March 31, 1935, both inclusive, deductions shall be made at the rate or rates provided in the act entitled "An act to maintain the credit of the United States Government," approved March 20, 1933, and acts in amendment thereof.

SEC. 2. All claims for increased payments under this act shall be filed with the United States Employees' Compensation Commission within 1 year from the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OPERATION OF STATUTES OF LIMITATIONS IN CERTAIN CASES

The Clerk called the next bill, H. R. 4828, to amend the law limiting the operation of statutes of limitations in certain cases.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to limit the operation of statutes of limitations in certain cases," approved May 10, 1934 (48 Stat. 772; U. S. C., title 18, sec. 587), be, and it is hereby, amended to read as follows:

"That whenever an indictment is found defective or insufficient for any cause, after the period prescribed by the applicable statute of limitations has expired, a new indictment may be returned not later than the end of the next succeeding term of such court, regular or special, following the term at which such indictment was found defective or insufficient, during which a grand jury thereof shall be in session."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRIVILEGE OF RETIREMENT EXTENDED TO CERTAIN DISTRICT JUDGES

The Clerk called the next bill, H. R. 5292, to extend the privilege of retirement to the judges of the District Court for the District of Alaska, the District Court of the United States for Puerto Rico, the District Court of the Virgin Islands, the United States District Court for the District of the Canal Zone, and the United States Court for China.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act relating to the retirement of the justices of the Supreme Court of the Territory of Hawaii and judges of the United States District Court for the Territory of Hawaii," approved May 31, 1938 (Public, No. 566, 75th Cong.), be, and the same is hereby amended to read as follows:

"That every justice of the Supreme Court of the Territory of Hawaii, and every judge of the United States District Court for the Territory of Hawaii, the District Court for the District of Alaska, the District Court of the United States for Puerto Rico, the District Court of the Virgin Islands, the United States District Court for the District of the Canal Zone, and the United States Court for China may hereafter retire after attaining the age of 70 years. If such justice or judge retires after having served as a justice or judge of any of the aforementioned courts for a period or periods aggregating 10 years or more, whether continuously or not, he shall receive annually in equal monthly installments, during the remainder of his life, a sum equal to such proportion of the salary received by such justice or judge at the date of such retirement as the total of his aggregate years of service bears to the period of 16 years, the same to be paid by the United States in the same manner as the salaries of the aforesaid justices and judges: *Provided, however*, That in no event shall the sum received by any such justice or judge hereunder be in excess of the salary of such justice or judge at the date of such retirement.

"SEC. 2. In computing the years of service under this act, service in any of the aforesaid courts shall be included whether such service be continuous or not and whether rendered before or after the enactment hereof. The terms 'retire' and 'retirement' as used in this act shall mean and include retirement, resignation, failure of reappointment upon the expiration of the term of office of an incumbent, or removal by the President of the United States upon the sole ground of mental or physical disability."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRADING AND CLASSIFICATION OF CLERKS IN FOREIGN SERVICE

The Clerk called the next bill, H. R. 8446, to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended, be, and the same is hereby, amended as follows: Section 26 (e) of said act, as amended by the act of April 24, 1939, is amended to read as follows:

"(e) The annuity of a retired Foreign Service officer shall be equal to 2 percent of his average annual basic salary for the 10 years next preceding the date of retirement, multiplied by the number of years of service not exceeding 30 years and in determining the aggregate period of service upon which the annuity is to be based, the fractional part of a month, if any, in the total service shall be eliminated: *Provided*, That at the time of his retirement a Foreign Service officer, if the husband of a wife to whom he has been married for at least 5 years, may elect to receive a reduced annuity and designate his wife as his beneficiary, to whom will be paid any portion up to two-thirds of his reduced annuity, at the option of the officer, as long as she may live after his death: *Provided, however*, That the annuity payable to the widow shall in no case exceed 25 percent of the officer's annual basic salary for the 10 years next preceding the date of retirement. If the age of the officer is less than the age of the wife or exceeds her age by not more than 8 years, the annuity of the officer will be reduced by an amount equal to one-half the annuity which he elects to have paid to his widow. If the age of the officer exceeds the age of the wife by more than 8 years, the annuity of the officer will be reduced by an amount equal to one-half the annuity which he elects to have paid to his widow plus an additional reduction equal to 2 percent of such widow's annuity for each year, or fraction thereof, that the difference in age exceeds 8: *Provided further*, That the officer may at his option also elect to have his annuity reduced by an additional 5 percent of the amount which he elects to have paid to his widow, with a provision that, from and after the death of his wife, if the officer shall survive her, the annuity payable to the officer shall be that amount which would have been payable if no option had been elected: *Provided further*, That a retired officer who is receiving an annuity on the effective date of this act, if the husband of a wife to whom he was married at the time of his retirement and for a total period of at least 5 years, shall be entitled under the same terms and conditions set forth above, to elect to receive a reduced annuity, a portion of which will be continued on his death throughout the life of his surviving widow, but all such elections by retired officers shall be made within 6 months following the effective date of this act, and they shall all be effective on the same date, to be prescribed by the President: *And provided further*, That no increases in annuities under this act shall operate retroactively and nothing in this act shall be interpreted as reducing the rate of the annuity received by any retired officer on the effective date of this act, unless the officer voluntarily elects to receive a reduced annuity as provided herein."

Sec. 2. The provisions of section 1 of this act shall be construed and interpreted in every respect as having been in effect on and after July 1, 1939 (the effective date of the act of April 24, 1939, which it amends), and, accordingly, any retired officer is hereby authorized to avail himself of the benefits of these provisions, as follows:

(a) A retired officer who elected to receive a reduced annuity and a life annuity payable to his surviving widow as provided in section 26 (e) of the act of February 23, 1931, as amended by the act of April 24, 1939, is hereby authorized, within 6 months of the effective date of this act, to amend such election in accordance with the additional provisions of the aforesaid section 26 (e) as established by section 1 of this act and to change the amount thereof within the limitations established by these provisions: *Provided*, That such an amended election shall be effective on the 1st day of the calendar month in which the application is filed, except where the wife of such an officer has died since September 1, 1939, the date heretofore fixed in accordance with law as the effective date for such elections, such amended election shall be considered effective as of the latter date.

(b) A retired officer who did not elect to receive a reduced annuity and a life annuity payable to his surviving widow, as provided in section 26 (e) of the act of February 23, 1931, as amended by the act of April 24, 1939, is hereby authorized, within 6 months of the effective date of this act, to make such an election, but only in accordance with the additional provisions of the aforesaid section 26 (e) as provided in section 2 of this act: *Provided*, That such an election shall be effective on the 1st day of the calendar month in which the application is filed.

Sec. 3. This act shall take effect on the 1st day of the calendar month following the date of its approval by the President.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CATALINA HIGHWAY, CORONADO NATIONAL FOREST, ARIZ.

The Clerk called the next bill, S. 2152, to protect scenic values along the Catalina Highway within the Coronado National Forest, Ariz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter mining locations made under the mining laws of the United States upon lands within 400 feet

of the center line of the Catalina Highway, Coronado National Forest, Ariz., which highway begins at the south boundary of said national forest near the southeast corner of section 7, township 13 south, range 16 east, Gila and Salt River base and meridian, and runs in a general northerly direction for a distance of about 25 miles to Soldier Camp, shall confer on the locator no right to the surface of the land described in his location other than the right to occupy and use, under the rules and regulations relating to the administration of the Coronado National Forest, so much thereof as may be reasonably necessary to carry on prospecting and mining, and shall not authorize the taking of any resource other than the mineral deposits, or the occupancy of said land for any purpose other than prospecting and mining; and each patent issued thereafter under the United States mining laws upon a mineral location made upon lands within 400 feet of said center line shall convey title only to the mineral deposits within said land and the right, subject to rules and regulations relating to the national forests, to occupy and use the surface of the land for prospecting and mining only: *Provided*, That valid mining claims within said lands existing on the date of enactment of this act and thereafter maintained in compliance with the laws under which they were initiated and the laws of the State of Arizona may be perfected in accordance with the laws under which they were initiated.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROPERTY FELONIOUSLY TAKEN FROM FEDERAL BANK

The Clerk called the next bill, H. R. 8399, to prohibit the receipt, possession, or disposition of money or property feloniously taken from a bank organized or operating under the laws of the United States or any member of the Federal Reserve System.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of May 18, 1934, entitled "An act to provide punishment for certain offenses committed against banks organized or operating under laws of the United States or any member of the Federal Reserve System" (48 Stat. 783; U. S. C., title 12, sec. 583b), as amended, be further amended by adding thereto the following subsection:

"(c) Whoever shall receive, possess, conceal, store, barter, sell, or dispose of any property or money or other thing of value knowing the same to have been taken from a bank in violation of subsection (a) of this section shall be fined not more than \$5,000 or imprisoned not more than 10 years, or both."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RICHMOND, FREDERICKSBURG & POTOMAC RAILROAD CO.

The Clerk called the next bill, S. 2992, to authorize an exchange of lands between the Richmond, Fredericksburg & Potomac Railroad Co. and the United States, at Quantico, Va.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to transfer to the Richmond, Fredericksburg & Potomac Railroad Co., a corporation of the State of Virginia, by appropriate deed of conveyance, free from all encumbrances and without cost to the Richmond, Fredericksburg & Potomac Railroad Co., all right, title, and interest of the United States in and to the following parcels of land contained within the Marine Corps Reservation at Quantico, Va., as indicated by metes and bounds descriptions on blueprint "P. W. Drawing No. 665, approved August 19, 1938," and "Right of Way and Track Map of Richmond, Fredericksburg & Potomac Railroad Co. V-1/40," both on file in the Navy Department:

Parcel 1. Strip of land approximately ten feet wide and nine hundred feet long adjacent to and along the east side of the right-of-way of the Richmond, Fredericksburg & Potomac Railroad Co., containing two thousand and sixty-six ten-thousandths of an acre, more or less; and

Parcel 4. A strip of land twenty feet wide and twelve hundred feet long adjacent to and along the east side of the right-of-way of the Richmond, Fredericksburg & Potomac Railroad Co., containing five thousand and five hundred and nine ten-thousandths of an acre, more or less; in consideration of the transfer to the United States by appropriate deed of conveyance by the Richmond, Fredericksburg & Potomac Railroad Co., free from all encumbrances, and without cost to the United States, all right, title, and interest of the Richmond, Fredericksburg & Potomac Railroad Co., to the following parcels of land:

Parcel 2. A strip of land along the west boundary of the Richmond, Fredericksburg & Potomac Railroad Co. right-of-way between the center line of the old channel of Chopawamsic Creek and the 1877 channel change, containing five and three one-hundredths acres, more or less; and

Parcel 3. A strip of land between the west boundary of the Richmond, Fredericksburg & Potomac Railroad Co. and the 1877 channel of Chopawamsic Creek, containing nine and forty-eight one-hundredths acres, more or less.

Sec. 2. The Secretary of the Navy is further authorized to acquire on behalf of the United States by purchase, condemnation, or otherwise, all right, title, and interest in any remaining small areas adjoining parcels 2 and 3 and the 1877 channel change of Chopawamsic Creek in order to adjust the boundary line of the Marine Corps Reservation.

Sec. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS' ADMINISTRATION FACILITY, TUSKEGEE, ALA.

The Clerk called the next bill, S. 1088, to authorize the Administrator of Veterans' Affairs to exchange certain property located at Veterans' Administration facility, Tuskegee, Ala., title to which is now vested in the United States, for certain property of the Tuskegee Normal and Industrial Institute.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is hereby authorized and directed to transfer to the Tuskegee Normal and Industrial Institute, Tuskegee Institute, Ala., title to the land described in subsection (a) of this act, now vested in the United States, in exchange for certain property, described in subsection (b) of this act, from the Tuskegee Normal and Industrial Institute.

(a) The following-described property located in the northwest corner of the northeast quarter of the southwest quarter of section 23, township 17, range 23 east, Macon County, Ala., and being all that portion of the Government reservation lying west of the old Chehaw Road:

Beginning at a point, said point being the northwest corner of the northeast quarter of the southwest quarter of said section 23, said point also being the northwest corner of that part of the Government reservation lying west of the old Chehaw Road; thence east along the north line of the northeast quarter of the southwest quarter of said section 23, same also being the north line of that part of the Government reservation lying west of the old Chehaw Road, a distance of three and four-tenths chains to a point in the west side of the old Chehaw Road; thence south twenty-five degrees east along the west line of the old Chehaw Road, a distance of three and thirty-four one-hundredths chains to a point, said point being in the southerly boundary line of the Government reservation; thence west along the southerly boundary line of the Government reservation, a distance of four and eighty-one one-hundredths chains to the west line of the northeast quarter of the southwest quarter of said section 23; thence north along the west line of the northeast quarter of the southwest quarter of said section 23, a distance of three and three one-hundredths chains to the point of beginning, containing, in all, one and twenty-four one-hundredths acres more or less.

(b) The following-described property located in the north half of the southeast quarter of section 23, township 17, range 23 east, Macon County, Ala.:

Beginning at a point, said point being in the northeast quarter of the southeast quarter of said section 23, and also being three and three one-hundredths chains south of the east and west half section line of said section 23 and ten and two-tenths chains west of the east line of said section 23, and further being in the south line of the Government reservation as at present constituted; thence south a distance of six and eighty-one one-hundredths chains to a point; thence west a distance of eleven chains to a point, said point being west one and two-tenths chains from the east line of the northwest quarter of the southeast quarter of said section 23; thence north a distance of six and eighty-one one-hundredths chains to a point, said point being in the southerly boundary line of the present Government reservation; thence east along the southerly boundary line of the Government reservation a distance of eleven chains to the point of beginning, containing seven and five-tenths acres, more or less.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRAVEL EXPENSES FOR VETERANS' ADMINISTRATION BENEFICIARIES

The Clerk called the next bill, S. 2866, to provide for allowance of expenses incurred by Veterans' Administration beneficiaries and their attendants in authorized travel for examination and treatment.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is hereby authorized, under regulations to be prescribed by the President, to pay the actual necessary expenses of travel, including lodging and subsistence, or in lieu thereof an allowance based upon the mileage traveled, of any person to or from a Veterans' Administration facility, or other place for the purpose of examination, treatment, or care: *Provided*, That payment of mileage upon termination of examination, treatment, or care may be made prior to completion of such travel: *And provided further*, That when any such person requires an attendant other than an

employee of the Veterans' Administration for the performance of such travel, such attendant may be allowed expenses of travel upon a similar basis.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF FRANKING PRIVILEGE TO PAN AMERICAN SANITARY BUREAU

The Clerk called the next bill, H. R. 8350, permitting official mail of the Pan American Sanitary Bureau to be transmitted in penalty envelopes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the privilege of the free transmission of official mail matter is hereby extended to the Pan American Sanitary Bureau in the same manner and subject to the same conditions as is provided in the case of official mail matter of the Pan American Union.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING FRANKING PRIVILEGE TO WIDOWS OF EX-PRESIDENTS OF THE UNITED STATES

The Clerk called the next bill, H. R. 8398, amending acts extending the franking privilege to widows of ex-Presidents of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the acts of February 1, 1909 (ch. 55, 35 Stat. 591), October 27, 1919 (ch. 84, 41 Stat. 1449), March 4, 1924 (ch. 45, 43 Stat. 1359), June 14, 1930 (ch. 493, 46 Stat. 1906), and June 16, 1934 (ch. 560, 48 Stat. 1395), extending the franking privilege to Frances F. Cleveland (Preston), Mary Lord Harrison, Edith Carow Roosevelt, Edith Bolling Wilson, Helen H. Taft, and Grace G. Coolidge, respectively, are hereby amended by inserting in each of said acts the words "or facsimile thereof" after the words "under her written autograph signature."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCORPORATION OF UNITED SPANISH WAR VETERANS

The Clerk called the next bill, H. R. 8238, providing for the incorporation of the United Spanish War Veterans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the organization known as United Spanish War Veterans, with a membership limited to officers, soldiers, and sailors of the Army, Navy, or Marine Corps of the United States of America, including acting assistant surgeons, contract doctors, dentists, veterinary surgeons, officers, and enlisted men in the United States Revenue Cutter Service on vessels temporarily under the control of the War or Navy Department, commissioned medical officers of the United States Marine Hospital Service, officers and enlisted men in the Philippine Scouts and other organizations of native troops maintained by the War Department in the Philippine Islands, paymaster clerks actually on duty in the field or aboard ship who served at any time during the War between the United States of America and the Kingdom of Spain, or at any time during the War for the Suppression of the Insurrection in the Philippine Islands, including the China Relief Expedition, prior to July 4, 1902, and who either have been honorably discharged from the service or still continue in the same, and women who served honorably under contract or by appointment as Army nurses, chief nurses, or superintendents of the Army Nurse Corps at any time between April 21, 1898, and July 4, 1902, is hereby created a body corporate and politic of the District of Columbia, by the name of "United Spanish War Veterans," by which name it shall be a person in law, capable of suing and being sued, and of having and exercising all incidental powers as a litigant or otherwise as if it were a natural person, with power to acquire by purchase, gift, devise, or bequest, and to hold, convey, or otherwise dispose of property, real or personal, as may be necessary to carry into effect the patriotic, fraternal, and charitable purposes of its organization, and to use in carrying out the purposes of the corporation such emblems and badges as it may have heretofore or may hereafter adopt, and generally to do any and all such acts and things as may be necessary and proper in carrying into effect the purposes of the corporation.

Sec. 2. The object and purpose of this corporation shall be to perpetuate the name of United Spanish War Veterans and to preserve in corporate form said organization as now and heretofore maintained and conducted, and to thus provide and continue an agency and instrumentality through and by which its members, for and during the remainder of their natural lives, unite in the fraternal bonds of comradeship; perpetuate the memories of the War with Spain and the campaigns incident thereto; promote peace and good will at home and among all nations; encourage an adequate national defense and protect and preserve our institutions of government. The corporation shall not at any time engage in any business for pecuniary profit and gain.

SEC. 3. The principal office of this corporation shall be kept and maintained in the city of Washington, D. C., but annual or other meetings of its governing body and members may be held in any State of the Union, and the corporation shall have the power to possess and hold property needful or desirable for its objects and purposes anywhere in the United States or any of its Territories or dependencies consistently with the provisions of local laws pertaining thereto.

SEC. 4. The supreme governing and controlling authority in said organization shall be the national encampment thereof, composed of representatives from the several department encampments as are now or may hereafter be organized: *Provided*, That there shall never be any change in the plan of organization of said national encampment that shall materially change its present representative form of government or render possible the concentration of the control thereof in the hands of a limited number or in a self-perpetuating body not representative of the membership at large.

SEC. 5. The qualifications for membership in said organization, except as they are limited by the provisions in section 1 of this act, and the rights and privileges of the members thereof shall be such as are fixed by the constitution and rules and regulations heretofore or hereafter adopted by said national encampment.

SEC. 6. The activities of said corporation shall be exercised through and by the following agencies in accordance with the constitution and rules and regulations now in force or such as may be hereafter enacted by the national encampment thereof, namely:

First. Through the national encampment, its officers, and committees.

2. Through such department encampments as may have been heretofore or as may be hereafter organized, their officers, and committees.

3. Through such camps as may have been heretofore or may be hereafter organized, their officers, and committees.

4. Through such auxiliary organizations by whatever name or designation as have been heretofore or may hereafter be authorized by the national encampment.

Such department encampments and auxiliary organizations shall be subject and subordinate in authority to the national encampment, and such camps shall be also subject to such control exercised through the department encampment and department officers of the particular department to which it belongs.

SEC. 7. Said corporation and its State and local subdivisions shall have the sole and exclusive right to have and to use in carrying out its purposes the name "United Spanish War Veterans."

SEC. 8. The corporate existence of United Spanish War Veterans and the exclusive rights of its surviving members to wear the insignia of membership therein shall terminate only when the last of its members dies: *Provided, however*, That if, at any national encampment hereafter held, a memorial shall be adopted by the vote of three-fourths of the members present reciting that because of the decrease in its membership, or because of the age and infirmity of its surviving members, it no longer is advisable and practicable to hold future annual national encampments, such action shall not operate to deprive said organization of any of its corporate powers; but the government thereof may be modified to provide for such contingency subject to the restrictions contained in section 3 of this act: *Provided further*, That nothing in this act shall in any manner affect the right or the power of such camps or departments to dispose of or otherwise affect the ownership of property held by any camp or department in its own name, nor affect the right of such camps or departments to organize corporations under State laws for the purpose of caring for and disposing of such property.

SEC. 9. The national encampment may, by resolution, provide for the disposition and future ownership of its property and archives, and may declare the event in which such disposition shall become effective and such ownership vested, and a duly authenticated copy of such resolutions shall be filed in the office of the Supreme Court of the District of Columbia. Upon the happening of the event thus declared, and upon the filing of a petition in said Supreme Court reciting said facts, said court shall take jurisdiction thereof and, upon due proof being made, the court shall enter a decree which shall be effectual to vest title and ownership in accordance with the provisions of such a resolution.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MANIFESTS

The Clerk called the next bill, H. R. 6751, to repeal certain laws with respect to manifests and vessel permits.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 4349, 4350, 4351, 4352, 4353, 4354, 4355, 4356, 4359, and 4360 of the Revised Statutes of the United States are hereby repealed.

With the following committee amendment:

Page 1, line 4, after the figures "4356", insert the figures "4357."

Page 1, line 5, after the word "States", insert "and the act of July 12, 1876 (U. S. C., 1934 ed., title 46, sec. 302)."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SESQUICENTENNIAL ANNIVERSARY OF SIGNING OF FIRST UNITED STATES PATENT LAW

The Clerk called the next business, Senate Joint Resolution 206, creating a joint committee to arrange for the celebration of the sesquicentennial anniversary of the signing of the first United States patent law.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the Senate joint resolution as follows:

Whereas there will occur on April 10, 1940, the one hundred and fiftieth anniversary of President George Washington's approval of the first act of Congress authorizing and regulating the grant of patents as contemplated in article I, section 8, of the Constitution; and

Whereas the encouragement and the protection thus afforded to discoverers and inventors have both inspired and rewarded their genius to the benefit of this Nation and the whole world; and

Whereas the American patent system inaugurated by this act of Congress has promoted countless applications of the arts and sciences to the needs and well-being of our people and thereby contributed notably to a higher standard of living in our country; and

Whereas it is fitting that the anniversary of the institution of a system so beneficial to the people of the United States should be worthily observed: Now, therefore, be it

Resolved, etc., That there is hereby created a joint committee consisting of the chairman of the Senate Committee on Patents, the chairman of the House Committee on Patents, the Secretary of Commerce, the Commissioner of Patents, and five other members to be selected by them, with power and authority to make suitable arrangements for an appropriate observance of the sesquicentennial of the first United States patent law.

SEC. 2. That the President of the United States is requested to set aside April 10, 1940, as Inventors' and Patent Day to invite a general public commemoration of an event which has proved so important and salutary to this Nation.

SEC. 3. That the committee shall present to the Senate and the House of Representatives suggestions for suitable exercises whereby Congress may mark the anniversary.

With the following committee amendments:

Page 2, line 3, strike out "joint committee" and insert "commission."

Page 2, line 16, strike out "committee shall present to the."

Page 2, line 17, strike out "suggestions for" and insert "shall conduct."

The committee amendments were agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "Joint resolution creating a commission to arrange for the celebration of the sesquicentennial anniversary of the signing of the first United States patent law."

INVESTIGATION OF SUPPLY OF TIN

The Clerk called the next business, House Resolution 275.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I would like some information. A few years ago the gentleman from Florida [Mr. CALDWELL] headed a committee to make a similar investigation.

Mr. BLOOM. That is right. I have discussed this resolution with the gentleman from Florida, who was the first to offer legislation of this kind, and upon whose resolution the original investigation of the committee was undertaken. I may say that the gentleman from Florida [Mr. CALDWELL] has advised me that he is in thorough accord with the purposes of the present resolution and feels that the investigation should be made.

Mr. COCHRAN. I understand the Army, the Navy, and the Department of Commerce have all the information that this resolution calls for.

Mr. BLOOM. No; they never did have the information until the Committee on Foreign Affairs investigated this matter and developed it for them, but that was 5 years ago. What we are trying to do now is bring the information down to date because the conditions and the situation existing

throughout the world are entirely different from what existed in 1935. We made a thorough study and we recommended legislation that was passed, and it has done good work up to now; but in the last 5 years the situation has completely changed, and, as the gentleman knows, we must get most of our tin through England.

There is no one department or branch of the Government that can supply the Congress with complete information about the tin situation. Although the United States is wholly dependent upon foreign nations for its supply of tin, it consumes approximately one-half the world's production. Our normal consumption will run between 60,000 and 90,000 tons per year. In wartime this would be greatly increased. An average approximate peacetime price of tin is not far from \$1,000 per ton, making our annual tin bill between \$60,000,000 and \$90,000,000.

The world production and price of tin are controlled by the International Tin Committee, officially representing the governments of the principal producing nations. The United States must, in effect, pay the price resulting from the committee's control. Frequently these prices bear no relation to the cost of tin production.

More than 4 years have elapsed since the former report of the Foreign Affairs Committee on tin. Our tin situation today is more precarious than ever before. During the past 4 years world conditions and world politics have undergone vital changes which affect unfavorably our already serious situation as regards tin.

Looked at from any point of view, it is high time that this situation was examined. I am not prepared to say whether the departments upon which, under existing law, devolves the duty of attempting to better our situation have done all that could have been done under the circumstances. That is a point which we might well look into also. However, it is not the main point. The outstanding and somewhat alarming fact is that the United States is today totally without any resources of this vital material, and, after more than 2 years of effort, has been unable to strengthen its position. In fact, its position is relatively much worse than it has even been before. It seems to me clearly a responsibility of Congress to act promptly in this matter. It is a problem which must be solved, and the former investigation carried out by the Committee on Foreign Affairs indicates that although difficult, it is by no means impossible of solution.

Aside from the primary consideration, which I have just mentioned, there are secondary aspects of this matter which are only relatively less grave. I refer to the recent action of the International Tin Committee in, without warning, drastically reducing tin quotas of the producing nations for the unquestioned purpose of making the United States pay millions of dollars of their war bills through an increase in the prices we have to pay them for tin. We have seen tin in this country at more than a dollar a pound, forced up by this same or similar agencies. An advance of only 10 cents per pound on the cost of tin we buy, will increase our annual tin bill by more than \$20,000,000. There seems good reason to fear the possibility of advances far greater than this if the present war continues. I think it is worth spending a little time and four or five thousand dollars looking into this situation before it has cost us tens of millions.

There is also a very grave question of the continued exports from this country of both tin and tin-bearing scrap, the latter in the face of legislation which I believe the Congress intended to stop this practice.

The gentleman states that the Army, the Navy, and the Department of Commerce have all the information this resolution calls for. In fairness to those departments, I feel that I should say to the gentleman that they would be the first to admit that they cannot answer the primary questions toward which this resolution is directed, namely, where are we going to get our tin in sufficient quantities, and what are we going to do when we fail to get it?

Mr. COCHRAN. The gentleman tells me where we get the tin.

Mr. BLOOM. Yes.

Mr. COCHRAN. Still the gentleman wants to know, through this resolution, where we are going to get the tin. He says he knows we are getting tin through England. If that is so, why investigate?

Mr. BLOOM. We do not know how we are going to get it and this investigation is to bring it down to date and find out what we are going to do in this country. We have in this country today only about a 2 weeks' supply of tin, if we cannot get any more. It is very important, both for national defense and for commercial purposes, that we should know something at this time and find out what is going to happen so far as the tin situation is concerned.

Mr. COCHRAN. How much is it going to cost?

Mr. BLOOM. It will not cost \$5,000. The last time we received \$10,000 and gave back a thousand dollars.

Mr. COCHRAN. I suggest that this go over for 2 weeks until I find out from the departments how much information they have on the subject. Mr. Speaker, I ask unanimous consent that this resolution may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

Mr. FADDIS. Mr. Speaker, reserving the right to object, may I ask the author of the resolution whether this carries an appropriation?

Mr. BLOOM. As I said to the gentleman from Missouri, it will cost from \$3,000 to \$5,000 to bring this investigation down to date.

Mr. FADDIS. Mr. Speaker, this is not a new question by any means. This matter has been investigated, investigated, and reinvestigated for a great many years. A few years ago this committee spent \$10,000 in an investigation of this kind and it did not produce one iota more information than the Committee on Military Affairs produced in an investigation it made without spending a nickel. There are downtown any number of men connected with the Bureau of Mines and other departments who can tell the House of Representatives or anybody else in this country the exact situation with regard to tin all over the world and at any specific hour of the day.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. FADDIS. In just a minute. They can tell us anything we want to know. They can bring us up to date almost to the hour on the tin situation all over the world and so far as I am concerned I cannot see any use in any more furore about this matter. I yield to the gentleman from New York.

Mr. FITZPATRICK. May I ask the gentleman from New York, is the statement true which appeared in the paper a short time ago that we exported some of our tin to foreign countries?

Mr. BLOOM. That is true.

Mr. FITZPATRICK. Then it is high time to stop exporting tin when we produce only 1 percent of what we use.

Mr. BLOOM. We passed a resolution here several years ago prohibiting the exportation of tin-plate scrap.

Mr. FADDIS. I introduced that resolution myself.

Mr. BLOOM. I may say to the gentleman that for the benefit of our country, and for the benefit of our defenses, we should know what we are going to do with reference to tin. There has never been an investigation by the Congress with reference to the 21 States in the United States that contain tin. We have never tried to bring into this country tin ore for smelting here and I think that would be for the best interest of our country.

[Here the gavel fell.]

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

Mr. FADDIS. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. COCHRAN. Mr. Speaker, I object.

The Clerk called the next bill, S. 2740, to amend section 9a, National Defense Act, as amended, so as to provide specific

authority for the employment of warrant officers of the Regular Army as agents of officers of the finance department for the disbursement of public funds.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 9a of the National Defense Act, as amended by the act of June 4, 1920 (41 Stat. 766), be, and the same is hereby, further amended as follows:

After the word "officers", in line 13 of the said section, insert the words "or warrant officers"; before the word "to", in line 15, insert the words "or warrant officer."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENLISTMENT OF MEN UP TO 45 YEARS OF AGE IN TECHNICAL UNITS OF THE ENLISTED RESERVE CORPS

The Clerk called the next bill, S. 2769, to amend section 55, National Defense Act, as amended, to provide for enlistment of men up to 45 years of age in technical units of the Enlisted Reserve Corps.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 55 of the National Defense Act of June 3, 1916, as amended (44 Stat. 704), be and the same is hereby further amended to read as follows:

"Sec. 55. The Enlisted Reserve Corps: The Enlisted Reserve Corps shall consist of persons voluntarily enlisted therein. The period of enlistment shall be 3 years, except in the case of persons who served in the Army, Navy, or Marine Corps at some time between April 6, 1917, and November 11, 1918, who may be enlisted for 1-year periods and who in time of peace shall be entitled to discharge within 90 days if they make application therefor. Enlistments shall be limited to persons eligible for enlistment in the Regular Army who have had such military or technical training as may be prescribed by regulations of the Secretary of War, except that for original enlistments of such specialists in units as may be prescribed by regulations of the Secretary of War the maximum age shall be 45 years. All enlistments in force at the outbreak of war, or entered into during its continuation, whether in the Regular Army or the Enlisted Reserve Corps, shall continue in force until 6 months after its termination unless sooner terminated by the President."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTEREST RATE ON LAND BANK AND LAND BANK COMMISSIONER LOANS

The Clerk called the next bill, H. R. 8450, to make permanent the reduced rates of interest on Federal land bank and Land Bank Commissioner loans.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TALLE. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TALLE. Mr. Speaker, I rise to speak in support of the pending bill, H. R. 8450, which proposes to make permanent the reduced rates of interest on Federal land bank and Land Bank Commissioner loans at 3½ percent and 4 percent, respectively. I believe that this bill should pass. The interest rates specified in it are reasonable. They are neither unduly low nor unduly high. The rates are just because they are somewhat in line with those charged in other forms of business. Furthermore, these rates will help to stabilize agriculture, because borrowers will be better able to meet their obligations and escape inevitable foreclosures that dog the heels of unsuccessful business. There will be fewer tenant farmers in the future if present owners of farms can survive the difficult conditions which prevail in agriculture now.

Agriculture is a business in which the fixed expenses represent a large part of the cost of operation. Here are some of the fixed expenses: Interest on mortgages, taxes, insurance, freight rates, depreciation on buildings and machinery. These operating expenses accumulate day and night, whether crops are good or poor, whether prices of agricultural products are

high or low. To be sure, lower interest rates will not solve the problems which confront agriculture today, but they will help to solve these problems, because, in many instances, the interest expense is a very large part of the total fixed expenses.

There are many farmers in my district, the Fourth District in Iowa, who are keenly interested in what this bill provides. On March 23, 1939, I introduced a bill, H. R. 5285, which proposes to achieve somewhat the same objectives as are sought in the bill which the Committee on Agriculture has seen fit to approve and which is before the House at the present moment. On March 24, 1939, I addressed the House in support of my bill.

Specifically my bill proposes that the interest rate on both types of loans be made permanent at a rate of 3½ percent, and it proposes further that the maturity period of the Land Bank Commissioner loans be made to extend over 34 years instead of the much shorter period which the law now prescribes.

I regret that the pending bill does not contain a provision for extending the period during which the Commissioner loans may be repaid. I trust that such a provision may be allowed in the form of an amendment to the pending bill. And I hope that there may be no objection to the pending bill when it comes before the House for action at some later date during the present session of the Congress.

The solution of our domestic problems should be our first order of business. Private property is the basic institution in our national economy. The pending bill seeks to preserve private property, and by preserving private property we support the entire economic structure of our Nation. Although this bill does not conform strictly to my own, I am for it, and urge its enactment at an early date.

NATURALIZATIONS OF CERTAIN ALIENS

The Clerk called the next bill, H. R. 6443, to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any alien who at the time of entering the United States is less than 16 years of age may upon attaining the age of 21 years, if eligible to citizenship, be naturalized upon full and complete compliance with all the requirements of the naturalization laws, subject to the following exceptions:

- (a) No declaration of intention shall be required; and
- (b) The petition for naturalization shall be filed within 1 year after such alien attains the age of 21 years.

Sec. 2. Nothing in this act shall be construed as preventing its application to aliens who entered the United States prior to its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. This completes the call of the Consent Calendar.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1941

Mr. FITZPATRICK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8745) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes; and pending that motion, I ask unanimous consent that general debate run throughout the day, the time to be equally divided and controlled by myself and the ranking minority member of the subcommittee.

Mr. RAYBURN. Reserving the right to object, Mr. Speaker, I trust that this motion will not be pressed this afternoon. As the program has been given out, this bill would come up for consideration in the first instance on tomorrow, and I have made that statement to a great many gentlemen. I thought that members of the committee had understood this, although I had not spoken to the gentleman from New York about it. However, I am committed to the statement that this bill will not come up until tomorrow, and I therefore trust that the gentleman will not press his motion.

The gentleman can have all the remainder of the week for the consideration of the bill.

The SPEAKER. Permit the Chair to say to the gentleman from Texas that the Chair takes the responsibility for the misunderstanding with reference to the time the bill would be called up. The Chair was under the impression that the bill would be called up at the conclusion of the call of the Consent Calendar today, at the request of the subcommittee interested. The Chair regrets, of course, that he was misinformed. Of course, the gentleman from New York can withdraw his motion.

Mr. FITZPATRICK. Then, Mr. Speaker, I withdraw my motion and unanimous-consent request. I did not understand that that was the situation.

The SPEAKER. Under a special order of the House heretofore entered, the gentleman from Pennsylvania [Mr. RICH] is recognized for 15 minutes.

POTOMAC ELECTRIC POWER CO.

Mr. RICH. Mr. Speaker, I take this time this afternoon due to the fact that several days ago before the Joint Committee on Printing the gentleman from Mississippi [Mr. RANKIN], who was desirous of having published a booklet regarding the rates of public utilities in the electrical business, made the statement that the Potomac Electric Power Co., of the city of Washington, was making 70 percent on the common stock. I said, "Mr. RANKIN, if the Potomac Electric Power Co. is making 70 percent on their capital investment, I will give you a new suit of clothes, because I do not believe any public utility in America is permitted to make a profit of that kind." I further made the statement that if they were making 70 percent on their capital invested, I would take the floor of the House and condemn them just the same as would the gentleman from Mississippi, for I would consider that a most unjust profit.

I probably would not have said anything further about that were it not for the fact that the gentleman from Mississippi rose on the floor of the House and said that he had lost a suit of clothes, that the Potomac Electric Power Co. were making only 60 percent. Therefore I have one of two courses to choose. It becomes my duty to defend the Potomac Electric Power Co. on the floor of the House of Representatives, or it becomes my duty to rise and say that they are highway robbers. I cannot do the latter; therefore, I am compelled to do the former.

May I say right here that I hold no stock in that company, and before that statement was made to the gentleman from Mississippi [Mr. RANKIN], I did not know anybody connected with it.

Let me say in the first place that after I went back to my office I wrote the Potomac Electric Power Co. asking for their financial statement. In return I received a reply from the president of the Potomac Electric Power Co., Mr. A. G. Neal, stating that he had filed with both the Speaker of the House and with the Vice President of the United States a copy of the annual report for 1939 and for previous years. When I went to the Speaker's office to get the copy of the report, I was informed that it was with the Committee on the District of Columbia. I went to that committee and got the statement that was filed by the president of the company, Mr. A. G. Neal, and which was sworn to before a notary public in the District of Columbia. It reads as follows:

I, A. G. Neal, president of the Potomac Electric Power Co., do hereby solemnly swear that the annexed statement is just and true to the best of my knowledge and belief.

I hold in my hand the statement that was filed with the Speaker of the House of Representatives.

Then I tried to find out who this man, A. G. Neal, was, because I did not want to quote him on the floor of the House of Representatives unless he was a respectable and honest citizen. I got a report from the Library, quoting from Who's Who in the Nation's Capital, 1933-39, and also this additional report:

Alfred G. Neal, who has been acting president of the Potomac Electric Power Co. since William McClellan resigned to become president of the Union Electric Co., St. Louis, was elected president

of the corporation by the board of directors last week in recognition of his long and efficient service.

Mr. Neal, who was born in Upper Marlboro, Md., in 1886, started with the company as assistant controller in February 1918, was elected vice president in January 1925, and made general manager in 1933. He has served on the board of directors of Potomac Electric Power Co. and Washington Railway & Electric Co. and held membership on the executive committee of Potomac Electric Power Co. since December 1934.

He worked his way up in the company and is now president and general manager, and he must be a good man or he would not hold both of those jobs with such a big concern.

Let me here insert other quotations about Mr. A. G. Neal:

Statement of Mr. Thomas L. Eagan, president of the Washington Rotary Club, Washington, D. C.:

Mr. Alfred Neal, in addition to being president of the Potomac Electric Power Co., has been closely identified with civic life in Washington for years. He is regarded as one of our outstanding citizens. He was chairman of the community service committee for the Washington Rotary Club last year—a committee that serves in the interest of boys' clubs of Washington and crippled children.

Another reputable source says:

Mr. Neal has been active in civic life for so many years that his name is known and respected throughout the community. He has done work amongst boys' clubs and for crippled children, in addition to other contributions too numerous and too well known to mention.

Mr. Lawrence E. Williams, president of the Washington Board of Trade, states:

The greater part of his entire business career has been with the general field of public utilities. Mr. Neal has been a resident of the District since 1917 and has for many years been one of Washington's most prominent citizens. He has long been interested in civic affairs. He has been a member of the Washington Board of Trade for 10 years, serving on its committees on charities and corrections, industrial interests, municipal finance, and public utilities. He is an active member of the Rotary Club and a trustee of the Community Chest.

He is regarded as a man of splendid character, exceptional ability, and excellent citizenship.

I have several other recommendations showing that this man is a man of unimpeachable character and outstanding ability.

Now, what is the situation insofar as the Potomac Electric Power Co. and its operations are concerned?

First, I may state that the capital stock as revealed in this statement is 130,000 shares at par of \$100, and it has common stock of \$6,000,000; preferred capital stock, 6 percent, series 25, \$2,000,000; preferred capital stock, 5½ percent, series 27, \$5,000,000; making a total of \$13,000,000 capital.

It has long-term or first-mortgage debts, 3¼ percent, due 1966, of \$20,000,000. It has first-mortgage bonds of 3¼ percent, due 1974, of \$5,000,000; a total of \$25,000,000 of bonds outstanding.

It has earned surplus of \$31,157,058.16.

This report gives a list of the stockholders. I counted the pages and there are 75 pages with 55 names on the page, which would mean over 4,000 stockholders. Many of them are banks in the city that are trustees for estates.

There is \$7,000,000 preferred stock. Amount necessary for dividend on preferred stock annually is \$395,037.42.

The conservative practice of this corporation for years back has been to pay out nominal dividends to the stockholders and then the balance went back into the surplus fund, which they used for improvements.

Now, what did this company do last year? It manufactured 1,103,819,809 kilowatt-hours of electricity. It used 510,891 tons of coal, and the cost of the coal was \$2,619,723.12. This not only gave work to the people in the District, but it gave work to the miners back in the States who mined the coal, and also gave work to the railroad employees who transported the coal here to the District of Columbia.

They made improvements to plant and equipment in 1939, as the report will show, in the production plant of over \$117,110.51; transmission plant, \$256,465.57 more; in the distribution plant of \$4,005,143.08; and in the general plant of \$195,230.92. They have construction work in progress

amounting to over \$800,000. In other words, the actual improvements they made to their facilities last year amounted to \$4,454,340.10.

The amount spent for labor by this corporation last year was \$5,061,274.44.

The assets of the company, as shown by this report, are \$89,236,023.

The Commission of the District of Columbia, a body which is made up to audit the books of this company and to state on what grounds they can base their capitalization in order that they may charge proper rates, has put that figure at \$80,974,758.

On this valuation last year, 1939, they earned \$4,230,271.33, or for the common stock and surplus—money invested—they earned 7.39 percent. Seven and thirty-nine hundredths percent on their capital invested, and when they have earned this amount after putting their surplus back into the company, is that, I ask you, an unjust earning for any corporation that takes the chances and the responsibilities that a public utility has to take?

Now, for taxes in 1939 they paid out \$2,225,635.83, or 53 percent of the net earnings.

Some taxes the Government and District get for the privilege of a corporation doing business. A real asset to the District and to the United States. If it were like the T. V. A. what taxes would it pay? What taxes do Government corporations or business pay? I'll say none; they are a liability instead of an asset. The number of customers is 197,232. The taxes paid for each customer amounts to \$11.28 per year, or 94 cents for each customer per month in tax. Who pays the tax, I ask?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RICH. I am afraid that my time will go before I can get in what I want to say. The gentleman has 20 minutes following me, and I am afraid that I will not have time to get all of this into the RECORD.

Mr. RANKIN. Oh, I will get the gentleman additional time.

Mr. RICH. Will I get my time from the gentleman?

Mr. RANKIN. No, from the House.

Mr. RICH. I want to get all of this into the RECORD. I want to make a complete statement.

Mr. RANKIN. When the gentleman comes to account for taxes, he is counting in the income taxes.

Mr. RICH. Well, taxes are taxes, and call them any name you want to. You have to pay them.

Mr. HOFFMAN. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. Does the gentleman yield?

Mr. RICH. I yield for 1 minute of time, and that is all.

Mr. RANKIN. I just want to say to the gentleman from Pennsylvania that when he gets to counting the taxes, he is counting in the income taxes, the taxes on these enormous incomes—the taxes on these enormous incomes that these utilities and power companies make.

Mr. RICH. Oh, the gentleman said it right the first time—enormous income taxes. Their total income was \$4,230,271.33. The gentleman will not dispute that, will he?

Mr. RANKIN. How is that?

Mr. RICH. The gentleman will not dispute the fact that their income was \$4,230,271.33?

Mr. RANKIN. I shall answer that in my own time.

Mr. RICH. Naturally big corporations have to pay a big tax. They pay now 18½ percent of their income, first crack out of the box, and the more they make, the more they have to pay, naturally. I want to show what this corporation has done in the reduction of rates since 1925. They have reduced their rates according to reports given here by \$762,332, and in 1926 by \$552,164, and in 1934 by \$379,841. I can ask unanimous consent to have this table inserted in the RECORD, because I do not want to read each one of these years. A fine table of progress in rate reduction.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The matter referred to follows:

POTOMAC ELECTRIC POWER CO.

MEMORANDA

Amount absorbed by rate reduction

Year in which rate reduction was made:

1925	\$762,352
1926	352,164
1927	430,829
1928	337,895
1929	624,062
1930	660,035
1931	820,463
1932	861,023
1933	563,335
1934	379,841
1935	147,821
1936	310,117
1937	504,682
1938	770,325
1939	393,986
1940	575,297

The average rate paid by residential customers in 1924, just prior to the inauguration of the consent-decree, sliding-scale plan, was very close to 10 cents per kilowatt-hour. The precise figure is not available as the same rate schedule was available until 1926 for both residential and small commercial customers. The average rate in 1926 was 6.73 cents after two rate reductions. In 1939 it was 2.61 cents. It is quite possible that the average rate for 1940 will drop to 2.5 cents, about a quarter of what it was in 1924.

Residential rates

1924

First 120 hours' use of the connected load	cents per kilowatt-hour	10
Excess	do.	5.225
Minimum charge		\$1.00

1940

First 40 kilowatt-hours	cents per kilowatt-hour	3.9
Next 90 kilowatt-hours	do.	1.75
Excess	do.	1.5
Minimum charge		\$0.75

Mr. RICH. In the year 1940 they reduced the rates by \$575,297. The residential rates in 1924 are listed here as well as in 1940.

Mr. RANKIN. Will the gentleman read those residential rates for 1924?

Mr. RICH. In 1924, 10 cents per kilowatt-hour.

Mr. RANKIN. That was before the T. V. A. was created.

Mr. RICH. The rates are on the above-mentioned table, and I insert later the rates at Tupelo, Miss.

Mr. RANKIN. The first 50 kilowatt-hours in Tupelo costs only \$1.25.

Mr. RICH. Mr. Speaker, I do not yield to the gentleman from Mississippi any longer at this time.

The SPEAKER pro tempore. The gentleman declines to yield.

Mr. RICH. I shall put it into the RECORD showing the residential rates in Tupelo, Miss., and in Sheffield, Ala. Then I will show the rates in Washington, D. C., and show that after you use 150 kilowatt-hours the rate in Washington, D. C., is cheaper than it is in Tupelo, Miss.

Residential rates

TUPELO, MISS.

First 50 kilowatt-hours	cents per kilowatt-hour	3.00
Next 150 kilowatt-hours	do.	2.00
Next 200 kilowatt-hours	do.	1.00
Excess of 400 kilowatt-hours	do.	.40

SHEFFIELD, ALA.

Same as Tupelo, Miss., except 4 cent block is 1,000 kilowatt-hours and excess over 1,400 is at .75 cent.

Comparative bills at Washington and Tupelo rates

	Washington	Tupelo
50 kilowatt-hours	\$1.74	\$1.50
100 kilowatt-hours	2.61	2.50
150 kilowatt-hours	3.44	3.50
200 kilowatt-hours	4.19	4.50
250 kilowatt-hours	4.94	5.00

One great advantage that the rates in Tupelo, Miss., have over the Potomac Electric Power Co., or any other electric power company, is the fact that the W. P. A. using Govern-

ment money have gone down into Tupelo and all these southern cities served by T. V. A. and have given them grants of 45 percent or an outright gift to help them electrify their towns and local communities. Then the communities went out to the Public Works Administration and borrowed the other 55 percent, having the Government do all the work and furnish all the money.

Now no such grants or gifts were given the people of Washington, nor was the Potomac Electric Power Co. aided in any way in Government subsidies. No wonder the people down south are "hollering" for the T. V. A., a Government-owned and controlled electric plant furnished by the taxpayers back in Pennsylvania and all the other States, and those fellows down there are getting the gravy. Why, it is just outlandish to think that anything like that should happen in civilized America, unless you are a communistic or Russianized form of government. And God forbid that we in America go any further with such New Deal organizations and agencies as is suggested by some of the Members of Congress. What is going to happen to us when we have a dictatorship at the head of our Government and everything Russianized? We will have no need for a Congress, the dictators will run this Government, and that is about where we are headed now.

Mr. RANKIN. Mr. Speaker, I hope the gentleman will stay here, because I have some figures on Williamsport, Pa.

Mr. RICH. Do not worry. I will not run away.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that his time be extended 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RICH. And I say this, Mr. Speaker: If the gentleman from Mississippi has made his statement as wild about the electric rates in Williamsport, Pa., as he has about the rates of the Potomac Electric Power Co. here in Washington, I know I shall have no confidence in them, and yet I want to say here that I believe the gentleman from Mississippi, JOHN RANKIN, is an honest man. I do not believe there is a crooked hair in his head, but I think he is obsessed with the idea that everybody in the utility business, and every businessman is a crook. I say that I am a businessman, and I glory in that fact, and I am not going to put my head under a table or under a bushel for the gentleman from Mississippi, JOHN RANKIN, or for anybody else. I am not ashamed of it. I am mighty proud that I am, and I have not gone in bankruptcy or been arrested for being dishonest.

The value of the Potomac Electric Power Co., \$6,000,000 of stock for 1925 to 1935, shows dividends that they paid on their capital invested from 6.78 percent in 1925 to 7.12 percent in 1935; 1939, 10.50. That is when we had the undistributed-profits tax, and they were compelled then by a law that was unjust to pay out their money or else pay an exorbitant income tax on undistributed profits. Then they had nothing to go ahead and make improvements with because they tried to save taxes; that was honest and just. In fact, it was what the tax wanted corporations to do. That is what this company has been doing ever since 1925—improve their service and reduce rates. The reports will show that.

Potomac Electric Power Co. dividends paid in relation to equity of common stock outstanding for years from 1925 to 1935, inclusive

	Equity value of \$6,000,000 par value of com- mon stock	Dividends paid on common stock	Percent dividends paid on equity value of common stock
			Percent
1925.....	\$12,390,615.59	\$840,000	6.78
1926.....	14,138,213.56	960,000	6.79
1927.....	15,888,035.33	1,080,000	6.80
1928.....	18,850,652.87	1,200,000	6.36
1929.....	21,765,347.30	1,320,000	6.06
1930.....	25,797,723.07	1,440,000	5.58

Potomac Electric Power Co. dividends paid in relation to equity of common stock outstanding for years from 1925 to 1935, inclusive—Continued

	Equity value of \$6,000,000 par value of com- mon stock	Dividends paid on common stock	Percent dividends paid on equity value of common stock
			Percent
1931.....	\$28,378,135.69	\$1,560,000	5.50
1932.....	30,791,370.71	1,680,000	5.46
1933.....	33,367,413.57	1,800,000	5.39
1934.....	34,758,271.97	2,280,000	6.56
1935.....	35,805,594.07	2,550,000	7.12
1936.....	36,781,930.47	3,600,000	9.79
1937.....	37,387,729.25	3,900,000	10.43
1938.....	37,204,397.34	3,900,000	10.48
1939.....	37,157,058.16	3,900,000	10.50

Mr. Speaker, I ask unanimous consent to put these charts that I have read into the RECORD, as well as an article on The Utilities Offer the Facts, by C. W. Kellogg, and it deals with the Tennessee Valley Authority, showing the rates that the public utilities pay and what the Tennessee Valley Authority charges.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RANKIN. Reserving the right to object, the gentleman will let the RECORD show that Mr. Kellogg is employed by the Power Trust, will he?

Mr. RICH. I do not know. As long as he is honest I do not care who employs him. We are after facts; not trying to injure and destroy anyone.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Speaking of the electric companies in Pennsylvania, I know Mr. John Wise, president; Mr. Lon Heath, vice president; Mr. Earl Mench, district manager; and Mr. McIntire, district manager, of Pennsylvania Power and Light Co., and they are honest, capable people, and anything you say regarding their company will have no effect on their standing in society for everybody knows them to be fine, honest businessmen.

Now, I will say to my colleague from Mississippi that he should read these reports I insert in the RECORD tomorrow, because I do not have time to read them into the RECORD now. The gentleman has made a statement about this Potomac Electric Power Co. receiving 60 or 70 percent profit on their common capital stock. He knows that all during the years they have been in operation, since 1925, they have put in their money, over and above nominal dividends, into surplus for improvements and benefits to their patrons. They have accumulated that surplus, and that is just like that much capital. It should be, because if they did not invest that in improvements they would have to go out and sell different kinds of debentures or stocks in order to get capital to make these improvements.

So I ask you, in the name of good business, what is the difference whether a corporation puts its surplus back into the corporation or whether it goes out and sells additional stock? It is all the same to the consumer. It requires the same amount of money. It is the only just thing to do. It is sound, sensible business, and honest and conservative management.

I will say that for the Potomac Electric Power Co., as far as I understand this statement, and I have gone over it, I think they are doing a good job in the District of Columbia. They are reducing their rates annually. They are trying to give service to the people of the District of Columbia. I am glad I did not have to stand here today and give them any condemnation, because I think they are conservative, legitimate, honest business people, and they have a good organization. They are not trying to hoodwink anybody. They are not trying to gouge anybody. It is all an open book, because they are compelled by the law of the District

of Columbia to furnish the Speaker of the House and the Vice President a copy of their report. I return this report of Potomac Electric Power Co. now to the "mayor" of the District of Columbia, the gentleman from West Virginia, Mr. JENNINGS RANDOLPH. [Applause and laughter.]

THE UTILITIES OFFER THE FACTS—WITH THE CLOUDS OF A NEW GOVERNMENT DRIVE AGAINST THE UTILITIES NOW GATHERING, THIS REFUTATION OF THE NEW ACCUSATIONS IS TIMELY, IMPORTANT, AND WORTH FILING FOR FUTURE REFERENCE

(By C. W. Kellogg, President, Edison Electric Institute)

The recent renewal by Federal Government officials of attacks on the electric utility industry makes it desirable to examine factually the charges that have been made against the utilities.

This paper will be addressed particularly to the statement of Congressman JOHN E. RANKIN, of Tupelo, Miss., in the CONGRESSIONAL RECORD for October 23, 1939. The gist of his statement is that based on T. V. A. rates, the national power bill represented in 1938 an overcharge of \$889,000,000; based on rates in Tacoma, Wash., the annual overcharge was \$1,130,000,000; and based on Ontario, Canada, rates, \$1,007,000,000. Mr. RANKIN charges also that the utilities are greatly overcapitalized.

The figures in the tables he presents to substantiate the claimed "overcharges" reveal many inaccuracies, but my purpose is to discuss only the general considerations involved.

To be fair, comparisons must be between subjects where conditions are approximately similar. For example, a comparison of crop yields to be fair should be under similar conditions of soil, rainfall, and climate; and it is common experience that a few high spots are no fair measure of average conditions.

Let us apply this test in turn to each of the three situations Mr. RANKIN has used as a measuring stick for the whole Nation.

1. The T. V. A. power system is the product of large appropriations from the Federal Treasury. It has charged off half of its expenditures to other than power purposes. It pays no interest. It has set aside a ridiculously small amount for depreciation. It pays a tax which is only a small fraction of the rate of taxation of private utilities and it has received without charge substantial aid from other Government agencies. Many of the municipalities taking power from its system have obtained their distribution systems through the intermediary of the T. V. A. at prices far below cost. Others have received P. W. A. grants at 45 percent of the cost, with the remainder of the money lent at a low rate of interest.

It ought to be clear that, with the above set of facts, it is most unfair to denounce as "overcharges" the difference between what publicly regulated, privately financed enterprises, in order to recoup their costs, have to charge for service and what a heavily subsidized Government project elects to charge. In fact, if the T. V. A. program and method were used to duplicate the power facilities of the entire Nation, the total yearly cost to the taxpayer

would be so staggering as far to outweigh the so-called overcharge of \$889,000,000.

2. Tacoma is another special case. It has very cheap water-power sources near at hand. Fuel prices have been such as to encourage domestic use of electricity. For over 40 years it has been a municipal plant, during which period the tax exemption alone (assumed by the taxpayer) could have more than paid off the entire plant investment. The fact is that taxes plus electricity cost more in Tacoma than in its neighboring city in the same State, Spokane. Here is a comparison where conditions are relatively similar, the chief difference being that the Spokane utility is privately owned and operated.

The average annual use of electricity in the home in 1938 was 2,104 kilowatt-hours in Spokane and 1,804 kilowatt-hours in Tacoma. The average residence rate per kilowatt-hour was in Spokane, 2.08 cents; in Tacoma, 1.56 cents.

This apparently favorable layout for the Tacoma householder is, however, destroyed and reversed by the relative tax picture. The tax rate in 1938 for the two cities was: Spokane, \$45.30; Tacoma, \$57—a difference of \$11.70 a thousand in favor of Spokane. For a modest dwelling, assessed at \$3,000, this difference becomes \$35.10—an amount which figures out to 1.95 cents for each of the 1,804 kilowatt-hours used by the average Tacoma home.

WHAT COUNTS IS MONEY SPENT

So, with taxes equalized, the resident of such a home in municipal Tacoma pays over half as much again for the same amount of electricity as does the corresponding resident of private Spokane. This is a more revealing comparison, because it is the actual money spent by the citizen that really counts with him, whether he pays it out for taxes or for electricity.

3. The third measuring stick used by Mr. RANKIN is Ontario. Ontario is principally supplied by Niagara Falls as a source for power generation, but other cheap water powers are available. Its power system is tax exempt. It does not have as high standards of construction as are required of electric utilities in the United States. No coal is mined in Ontario and supplies of oil and gas are limited, which gives electricity a competitive advantage.

Although electricity has heretofore enjoyed tax exemption, the combined tax and electric bill of the average householder in Toronto, for instance, is higher than the combined tax and electric bill of the average householder in the neighboring city of Buffalo. Similarly, the combined tax and electric bill of the average householder of Windsor, Ontario, is higher than the combined tax and electric bill of the average householder in Detroit, across the river. What has been gained in cutting the price of electricity has been more than offset by rising taxes over a period of years. (The new war tax against public power has greatly disturbed the public power officials in Canada. Its effect on their rate structure has not yet been determined.)

The average rates of municipal plants in the United States are about on a parity with those of private plants, as the summary of the January 1, 1939, rate survey of the Federal Power Commission shows. The table compares average monthly bills in different consumption groups as of that date.

Cost per horsepower, comparable hydroelectric plants
GOVERNMENT PLANTS

Project	Present or initial cost	Ultimate cost	Capacity in horsepower		Present or initial cost per horsepower	Ratio of present to ultimate horsepower
			Present	Ultimate		
Pickwick	\$31,800,000	\$39,900,000	96,400	289,200	\$330	Percent 33.3
Wilson	46,950,748	57,950,748	246,600	595,100	190	41.4
Wheeler	33,483,559	42,400,000	85,800	343,000	390	25.0
Guntersville (now building)	33,400,000	35,200,000	96,300	128,400	347	75.0
Chickamauga (now building)	37,010,000	39,200,000	108,600	144,800	341	75.0
Norris	37,257,000	37,257,000	134,000	134,000	278	100.0
Total or average	219,901,307	251,907,748	767,700	1,634,500	286	47.0

PRIVATE PLANTS

Project	Licensee	Cost claimed by licensee	Capacity in horsepower		Present or initial cost per horsepower	Ratio of present to ultimate horsepower
			Present	Ultimate		
Coosa	Alabama Power	\$10,646,056.76	72,000	93,000	\$148	Percent 77.4
Ohio River	Louisville Gas & Electric	7,829,738.72	108,000	135,000	72	80.0
Chattahoochee	Columbus Electric & Power	7,688,544.12	66,000	80,000	116	82.5
Safe Harbor	Safe Harbor Water Power	24,995,111.74	255,000	510,000	98	50.0
Conowingo	Susquehanna River Power	55,156,084.98	378,000	594,000	146	63.6
Tallapoosa	Alabama Power	17,868,816.84	135,000	180,000	132	75.0
Total or average		124,184,353.16	1,014,000	1,592,000	122	63.7

	Government	Private
Number of plants.....	2,112	18,249
15 kilowatt-hours.....	\$1.22	\$1.23
25 kilowatt-hours.....	1.83	1.82
40 kilowatt-hours.....	2.69	2.63
100 kilowatt-hours.....	4.85	4.76
250 kilowatt-hours.....	8.97	8.25
500 kilowatt-hours.....	14.98	11.64

This is an arithmetic average. The weighted average is somewhat favorable to the municipal plants on account of the dominating influence of the three large west coast municipal systems with below-average rates. But, with the correction for tax exemption, the comparison is decidedly in favor of private companies.

Another way to appraise Mr. RANKIN's alleged overcharge of \$889,000,000 in the national electric bill is to consider just what that electric bill has to pay for.

The gross operating revenues of the electric utilities of the United States for 1937 were \$2,207,000,000. Total operating and maintenance expenses, together with taxes and retirement and other reserves, required \$1,551,000,000, leaving \$656,000,000 that was paid to bond- and stock-holders—an average rate of 5½ percent on the \$12,000,000,000 invested in plant.

The alleged overcharge would wipe out any return to the millions of investors who put part or all of their life savings into this great amount of capital, and it would still leave \$233,000,000 to come from elsewhere.

Presumably, this would have to come out of the \$451,000,000 paid in wages to employees—about a 50-percent cut. It could not be taken out of taxes, or out of the cost of coal or other materials; nor could it be taken from the retirement and reserve allowances without seriously impairing the standards of service which the public properly demands of private enterprise, as the electric utilities have no national treasury to draw upon.

AVERAGED \$122 PER HORSEPOWER AGAINST \$286

As to Mr. RANKIN's assertion that the plant investment claimed by the electric utilities is greatly inflated, the Government's own experience in the past 6 years has tended to confirm the validity of the private companies' investments in similar property.

The table which appears on page 17 compares the cost reported to the Federal Power Commission of six dams built in recent years in the East and Southeast under Federal license by private companies, with the estimated or actual cost of six dams on the Tennessee River as part of the T. V. A. system built by the Government. The initial cost (with 64 percent of ultimate capacity installed) averaged \$122 per horsepower for the six private plants. For the six Government plants (with 47 percent of ultimate capacity installed), it averaged \$286.

Five of the six dams on the Tennessee River have or will have navigation locks while the six private plants have none. The resulting difference in cost of 5 or 6 percent does not materially affect the comparison.

According to a W. P. A. survey, the electric bill of the average workman amounts to 1.5 percent of his cost of living. According to other Government surveys, the electric bill amounts to about 1.3 percent of the value of product in the average manufacturing business. If, through Federal subsidy, the price of electricity were cut one-third, this would amount to only one-half of 1 percent of the cost of living for the householder and of the value of product for the manufacturer. On the other hand, the share of the average family in the cost of government is now about \$516 per annum, or 44 percent of the average worker's annual income.

LOW-COST CURRENT ISN'T ALL

Using public funds to subsidize the cost of electricity has not proved a long-range advantage. Although Ontario has long enjoyed low-cost electricity, business development in the bordering areas of western New York and Michigan has far outstripped the growth in Ontario, and wages on the American side compared with those on the Ontario side quite overshadow the small factor of electric rates.

Cheap electricity has proved a relatively unimportant factor in the growth and development of Tacoma, which has been outstripped by Seattle to the north and Portland to the south with higher prices for electricity. Similarly, in Mr. RANKIN's own Tupelo, Miss., the first community to take T. V. A. power, there has been no influx or development by reason of cheap electricity. In fact, two mills have gone out of business—not, of course, because of cheap electricity but because cheap electricity proved to be no important consideration.

In the end, though, the issue of private enterprise versus public ownership is far greater than the mere question of the price of electricity.

Economic well-being has always advanced where private enterprise has been given fair play to exert its initiative, resource, and industry. Low taxes, resulting from wise and efficient handling of necessary functions of government and from leaving to private enterprise the business it can perform, far outweigh the influence of electric rates. Larger earnings with which to pay living and business costs have been much more important to any people than subsidized electric rates.

LXXXVI—147

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. RANKIN] is recognized for 20 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield if it is not taken out of my time.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the bill S. 1610.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. RANKIN. Yes; just so it is not taken out of my time.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my remarks and insert an article entitled "The Power of Empty Pockets," by O. M. Thomason.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

ANSWERING MR. RICH—POTOMAC ELECTRIC POWER CO. DID MAKE 64 PERCENT ON COMMON STOCK LAST YEAR—ELECTRIC RATES AND OVERCHARGES IN PENNSYLVANIA

Mr. RANKIN. Mr. Speaker, the gentleman from Pennsylvania [Mr. RICH] has just given us an amusing performance in his attempt to answer my statement concerning the Potomac Electric Power Co. and its earnings on its common stock. In his speech he went out of his way to attack the T. V. A., and to make statements about the city of Tupelo, Miss., my home town, that are so far from the facts that I cannot let them go unchallenged.

It seems to me that he has permitted these utility propagandists to take him for a "snipe hunt" and leave him to hold the bag. His childish handling of this question makes one think of Innocents Abroad.

The conscientious gentleman from Pennsylvania [Mr. RICH] might well say to these utilities, in the words of Holy Writ, "I came to you a stranger and ye took me in." His speech was so weak that I at first thought he wrote it himself, but when he wound up by reading into the Record the attack on me by C. W. Kellogg, the chief propagandist for the Power Trust—which statement is literally teeming with false and misleading statements—and when I ran hurriedly over his remarks, knowing that the conscientious gentleman from Pennsylvania would not intentionally make a misstatement, it occurred to me that his speech might be characterized as "the hand of Esau and the voice of Jacob."

The gentleman from Pennsylvania says he has no prejudice on this subject. He should not have, for prejudice presupposes knowledge, and he showed such a pathetic lack of knowledge of this subject that it should clear him of any charges of personal prejudice.

I make this statement in justice to him because when the people up in Pennsylvania whom he represents, or whom he is supposed to represent, finally realize how they are being robbed and plundered in electric light and power rates, I want them to know that we here who know and love the gentleman from Pennsylvania, understand thoroughly that his attitude on this subject is prompted by an error of the head and not of the heart. He just does not know any better. He is one of the innocent victims himself. The Power Trust is robbing him and the enterprises he is connected with in the most ruthless manner, just as they are the rest of the people of Pennsylvania, as I will show before I conclude.

I am glad he has begun to study this question, even though he is in the kindergarten stage of it. When he gets a little more information on the subject, he will probably ask to have these remarks of his struck from the RECORD.

The first thing I want to do is to teach him to read a meter. I brought these meters in here the other day, placed the old one with four dials before him, and challenged him to read it. I placed it on a table out in the hall and a little later I saw the gentleman from Pennsylvania attempting to read it. He fumbled worse than the proverbial nearsighted farmer on the dial phone. If he cannot read the meter, and is so easily misled by this Power Trust propaganda, which he has just read into the RECORD, how in the world does he expect his constituents to protect themselves against the exorbitant rates they are now paying for electricity?

When I saw him vainly attempt to read this old meter, and then heard his speech, I thought of a Negro down at home who tried to tell the time of day by the dial on the gas tank at the filling station. Some country Negroes had come to town and wandered up and down the streets till they got hungry. They asked another Negro to find out the time of day for them. He saw this dial on the gas tank and thought it was the town clock. He gazed at it for a minute and said, "Well, de bes' I kin tell, hits jes' about 15 minutes after haf pas' a quarter 'fo leben o'clock; but if any de res' of you all wants to know what time it is while you is in town, ef I ain't along, I spec you better jes' look at de sun." [Laughter.]

In order to assist him in every possible way I am going to show how they are robbed and plundered in light and power rates in his district before I close, but I first want to answer the misleading statements and erroneous conclusions arrived at by the gentleman from Pennsylvania [Mr. RICH]. He really answered himself when he showed that there are only \$6,000,000 of common stock of the Potomac Electric Co., and, to quote his own words, "they earned \$4,230,271.33, or for the common stock and surplus," and so on.

Who got that surplus? Why it went to these common-stock holders, of course. It did not go to the bondholders; it did not go to the preferred-stock holders—it went to these common-stock holders who own this \$6,000,000 of common stock, and I believe any school boy in Pennsylvania can show that it amounted to more than 64 percent, which I said these common-stock holders were earning.

In other words, they simply take their overcharges, which they wring from the ultimate consumers in the District of Columbia by exorbitant rates, which the gentleman from Pennsylvania has just showed ran as high as 10 cents a kilowatt-hour before the T. V. A. was created and its yardstick rates promulgated, showing the American people what electricity is really worth—they simply take these overcharges, call them "surplus," reinvest them in additional facilities on which to overcharge additional consumers, and try to hide the fact that they are making from 60 to 75 percent annually on their common stock.

But the people of the District of Columbia are helpless; they must look to Congress for protection. Instead of giving them this pitiful reduction of \$525,297 in their light and power rates for the coming year, they should have been given a reduction of at least \$3,000,000.

Mr. RICH. Mr. Speaker, will the gentleman yield for one-half minute?

Mr. RANKIN. Not just now. Now let us see who owns this Potomac Electric Co. A holding company, this Washington Railroad & Electric Co., owns 100 percent of its common stock. That company is owned or controlled by the North American Co., which in turn is owned or controlled by another holding company, the Central States Electric Co., which is owned by Harrison Williams, the multimillionaire who has become rich through these overcharges, and who is often referred to by the press as the "owner of the world's largest yacht."

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. No; not yet.

Mr. SCHAFER of Wisconsin. Is it bigger than Vincent Astor's yacht?

Mr. RANKIN. I do not know the exact size of it, but I will show before I conclude that the constituents of the gentleman from Wisconsin are helping to pay for this yacht in overcharges for their electric lights and power, and that he is doing nothing to protect them. Remember the people of Wisconsin are overcharged \$20,000,000 a year for electric lights and power.

This North American Co. owns and controls other companies that are served by the people of Michigan, Wisconsin, Illinois, Iowa, Kansas, Ohio, Missouri, and some States in the far West. When I say that these companies are "served by the people" in those States, I mean just that.

The record shows that the people of Michigan paid an overcharge for electric lights and power in 1938, amounting to \$40,030,420, according to the T. V. A. rates, and \$47,000,000, according to the Ontario rates; the people of Wisconsin paid overcharges during that year amounting to \$20,858,242, according to the T. V. A. rates; the people of Illinois, \$69,915,257; Iowa, \$14,461,697; Kansas, \$10,774,695; Ohio, \$47,871,987; Missouri, \$21,005,411; Pennsylvania, \$72,513,570; Alabama, \$7,300,505; Arizona, \$4,319,264; Arkansas, \$5,681,543; California, \$32,942,007; Colorado, \$8,532,935; Connecticut, \$17,605,938; Delaware, \$2,005,452; District of Columbia, \$3,025,477; Florida, \$15,496,148; Georgia, \$11,026,411; Idaho, \$3,497,009; Indiana, \$24,110,278; Kentucky, \$8,904,411; Louisiana, \$9,463,871; Maine, \$6,278,767; Maryland, \$13,191,408; Massachusetts, \$44,487,091; Minnesota, \$16,432,306; Mississippi, \$4,649,439; Montana, \$4,115,411; Nebraska, \$7,099,169; Nevada, \$941,585; New Hampshire, \$4,557,821; New Jersey, \$48,077,342; New Mexico, \$2,172,940; New York, \$157,872,433; North Carolina, \$11,582,712; North Dakota, \$2,737,207; Oklahoma, \$11,452,668; Oregon, \$6,414,474; Pennsylvania, \$72,513,570, as I have just stated; Rhode Island, \$7,535,927; South Carolina, \$5,719,937; South Dakota, \$3,331,189; Tennessee, \$7,274,287; Texas, \$31,096,962; Utah, \$4,427,614; Vermont, \$2,791,629; Virginia, \$11,010,583; Washington, \$10,492,265; West Virginia, \$10,117,190; Wyoming, \$2,088,863.

The rates in every one of these States could be reduced so as to wipe out these enormous overcharges, and still afford ample returns on all legitimate investments. These are the tributes the people of the various States are paying to these utilities, including these vast holding companies, stacked, as I have said, three or four deep upon the top of one subsidiary or operating company, and reaching down through that maze, or network, of corporate entanglements and sucking the economic lifeblood from the ultimate consumers of electric lights and power, and paying to a few useless officials salaries so large that they were denounced by the President of the United States as "thievery within the law." No wonder they can pay large income taxes out of these exorbitant rates they are wringing from the helpless consumers.

This holding company that owns or controls the Potomac Electric Co. also owns the Union Electric Co. of Missouri. The gentleman from Pennsylvania offers cumulative evidence, or statements, to show that Mr. A. G. Neal, president of the Potomac Electric Co., who made this affidavit which he inserted in the RECORD, is an honorable man, and one of these statements shows that Mr. Neal succeeded Mr. William McClellan, who recently resigned to become president of the Union Electric Co. in St. Louis. As a matter of fact, the Union Electric Co. and the Potomac Electric Co., as I have shown, are owned by the same outfit, and they rushed Mr. McClellan out to St. Louis to try to stave off the catastrophe which the sins of that outfit have produced.

If the conscientious gentleman from Pennsylvania had looked a little further into this great mesh of holding-company entanglements, he would have known that they are all a part of the same system, and he would have found that the officials of the Union Electric Co. are now under indictment for corruption, perjury, and falsifying the records to cover up the funds used to bribe officials.

I wonder how much of these funds that are wrung from the helpless consumers of electricity in the District of Columbia will now go to keep these officials out of jail in St. Louis.

Mr. RICH. Is the gentleman talking about the Potomac Electric Power Co., or whom is the gentleman talking about?

Mr. RANKIN. I am trying to show the gentleman from Pennsylvania whom he has been talking for. I am talking about the crowd that owns and controls the Potomac Electric Co.

Mr. RICH. Do not let the impression go out that they are officials of the Potomac Electric Power Co.

Mr. RANKIN. Why not? Why not let the people know that they own and control the Potomac Electric Power Co.? I have shown that there are three or four holding companies piled up on top of the people of the District of Columbia siphoning money out of their pockets, just as there are in Pennsylvania, siphoning money in overcharges out of the pockets of every human being in the gentleman's district who turns an electric switch, except perhaps the few of them who are served by municipal plants.

Mr. RICH. Then the gentleman means to say that the officials of every municipal electric company or public utility are crooks and scoundrels. Is that the gentleman's interpretation?

Mr. RANKIN. Certainly not.

Mr. RICH. That is what the gentleman said.

Mr. RANKIN. Oh, not at all. If the gentleman from Pennsylvania does not understand language any better than that, he ought not to get mixed up in a controversy of this kind.

Mr. RICH. That is the same information the gentleman gave me. If I did not know anything more about some of these things than the gentleman does I would take a college education and find out.

Mr. RANKIN. The gentleman from Pennsylvania needs some kindergarten education. He could not even read the meter I brought in here.

Mr. RICH. I could read that meter or any other meter ever made. The gentleman knows it, and so do I. Why he makes such a statement I cannot understand.

Mr. RANKIN. Here is the meter now with its four dials; I will yield for the gentleman from Pennsylvania to read it. He cannot tell me now what the reading of this meter is. He will not try to read it; he will not dare try. He can read this other one-dial meter, which is now being put on the market for about half the price of the old one, as result of my efforts, and which any farmer boy in Pennsylvania or Mississippi can read.

As I pointed out the other day, these old four-dial meters, with two dials running clockwise and two counterclockwise, are obsolete, and so complicated that the average man who pays an electric bill cannot even read one of them. When I found out they had this new one-dial meter in Canada, I set to work to get it manufactured in this country; and I succeeded.

The R. E. A. is now supplying these meters to the people on their rural lines at less than half the price they paid for the old ones; and, as I pointed out, if every residential consumer in the United States had to buy a new meter now they would save over \$100,000,000 on them.

Instead of trying to educate the gentleman from Pennsylvania to read this old, complicated meter, this old four-dial concern, I want to urge him to get one of these new ones that he can read without further training and that every consumer in his district can read.

The gentleman from Pennsylvania [Mr. RICH] missed the point in my previous remarks, and therefore did not meet the issues I raised. I showed that the Potomac Electric Power Co. was earning an excessive return on the actual stated balance sheet investment in common stock, amounting last year to 64 percent—see page 58, 1938 Annual Report of the Public Utility Commission of the District of Columbia. And if the returns coincided with the true legal and historical concept of the sliding-scale plan of rates and dividends, the electric consumers of Washington would be purchasing electricity at the T. V. A. yardstick rates or less, or something like 30 or 40 percent below the present rates, and they would have received a rate reduction of about \$3,000,000 a year instead of \$525,000.

The T. V. A. yardstick rates could be put into effect here in Washington without any destruction of legitimate investments or credits. Then everyone could cook and heat their house with electricity, as they will be doing sooner or later.

The third column of the gentleman's table is erroneous, as it does not set out all the net earnings. He left out of consideration all earnings retained in the bank at the end of the year over the actual payment to the common shareholder, or funds invested in plant or equipment.

The equity figures in the second column of his table were started in 1925 on a \$7,500,000 to \$10,000,000 advance in value without actual investment. Their capital structure was simply watered that amount. Some authorities state the initial write-up was \$7,500,000; others say it was \$10,000,000. I have pointed out how this water got into the balance sheet. The people of Washington have been paying rates on it ever since. If he wants an independent verification of the facts, he can find it on pages 261 and 262 of Bauer's Electric Power Industry, published by Harper & Bros. in 1939. I would refer him also to the study of the sliding scale published by the Columbia University Press in 1936, pages 154 and 157. Both publications can be secured from the Congressional Library. In the Columbia University publication, column 6, he will find a verification of my tables for the years 1925 and 1933. The publication, for example, showed in the year 1930 the common stock earned 68 percent. The gentleman ignored the division of the \$6,000,000 impounded fund, which under a court order belonged to the rate payers.

Again his equity value ignores depreciation, as it was actually derived from an undepreciated rate base. There is no law or decision that allows an undepreciated rate base. It is contrary to all the natural laws ordained by the Creator. He has also gone astray as to the stock ownership. For information on that point, he should consult the declaration filed by the company with the S. E. C. Likewise, he will find by asking the Utility Commission for a break-down of taxes paid, that the local company has been paying ridiculously low local taxes when compared to gross earnings.

The latest record I have before me on that point is for 1937, the year the Potomac Electric Co. earned 74 percent on its common stock. The taxes for that year on the property of this concern in both Maryland and the District of Columbia, including the Federal tax on electricity, amounted to only 6.8 percent on its gross earnings. Of course, this does not include the income taxes paid by the higher-ups in this combination on their enormous incomes; nor does it include the taxes on Mr. Harrison's yacht.

This is a lower percentage than the municipal plant at Tupelo, Miss., pays in taxes out of its gross revenues.

For the information of the House, here is the table showing the earnings of this Potomac Electric Co., both before and after the consent decree, as shown by the records of the Utilities Commission of the District of Columbia.

I do not see how the conscientious gentleman from Pennsylvania [Mr. RICH] even could understand it.

TABLE 1.—Stock earnings, Potomac Electric Power Co., compared with rate index

BEFORE CONSENT DECREE, REPRESENTATIVE YEARS							
Calendar year	Top residential rate index, cents per kilowatt-hour	Amount available for dividends	Amount preferred stock outstanding	Amount paid on preferred stock	Amount common stock outstanding	Amount available for common-stock dividend	Percent earned, common stock
1	2	3	4	5	6	7	8
1914.....	10	\$617,425	\$250,000	\$25,000	\$5,750,000	\$592,425	10.3
1915.....	10	666,942	250,000	27,500	5,750,000	639,442	11.1
1918.....	10	568,780	250,000	27,500	5,750,000	541,280	11.0
1920.....	10	532,818	250,000	20,000	5,750,000	512,818	8.0
1923.....	10	1,020,896	250,000	25,000	5,750,000	1,004,896	17.5
AFTER CONSENT DECREE							
1925.....	7.5	\$2,295,724	\$2,000,000	(1)	\$6,000,000	\$2,295,724	38.3
1926.....	7.0	2,598,117	2,000,000	\$166,128	6,000,000	2,491,989	41.5
1927.....	6.25	2,932,162	7,000,000	248,702	6,000,000	2,683,465	44.7
1928.....	5.9	3,699,677	7,000,000	392,030	6,000,000	3,307,647	55.1
1929.....	5.2	4,120,136	7,000,000	394,917	6,000,000	3,725,219	62.1

¹ No dividend paid on preferred in 1925 as new issue put out at end of year. Columns 3 to 7, inclusive, taken from reports, Public Utilities Commission, District of Columbia.

TABLE 1.—Stock earnings, Potomac Electric Power Co., compared with rate index—Continued
AFTER CONSENT DECREE—continued

Calendar year	Top residential rate index, cents per kilowatt-hour	Amount available for dividends	Amount preferred stock outstanding	Amount paid on preferred stock	Amount common stock outstanding	Amount available for common-stock dividend	Percent earned, common stock
1	2	3	4	5	6	7	8
1930-----	4.7	\$4,471,725	\$7,000,000	\$394,911	\$5,000,000	\$4,076,804	68.0
1931-----	4.2	4,471,725	7,000,000	394,970	6,000,000	3,872,704	64.6
1932-----	3.9	4,267,674	7,000,000	395,045	6,000,000	3,746,959	62.4
1933-----	3.9	4,142,004	7,000,000	395,044	6,000,000	3,619,120	60.4
1934-----	3.9	3,598,793	7,000,000	395,045	6,000,000	3,203,748	53.5
1935-----	3.9	3,607,267	7,000,000	395,044	6,000,000	3,212,223	53.5
1936-----	3.9	4,246,041	7,000,000	395,045	6,000,000	3,850,996	64.4
1937-----	3.9	4,886,974	7,000,000	395,044	6,000,000	4,491,930	74.9
1938-----	3.9	4,187,909	7,000,000	395,000	6,000,000	3,792,909	63.2
1939-----	3.9	4,230,271	7,000,000	395,000	6,000,000	3,835,271	64.0

¹ Reductions given in each year by reducing bottom steps of rate from 3 cents to 2, 1.5, and intermediate steps from 3.8 cents to 3.6 cents, 3.3, 2.0, 1.9, and 1.8 cents, respectively.

² 50 kilowatt-hours included in first step.

³ 45 kilowatt-hours included in first step.

Earning data secured from Public Utility Commission of the District of Columbia

Mr. Speaker, the gentleman talks about this rate base and refers to it as being \$80,000,000 or \$89,000,000, when the record shows that there are only \$25,000,000 in bonds, \$7,000,000 in preferred stocks, and \$6,000,000 common stocks, amounting in all to \$38,000,000, as shown by the record; and that after paying the interest on the bonds and preferred stocks it left 64 percent for the holders of the common stocks.

I do not know who wrote that stuff the gentleman from Pennsylvania read, showing that 50 kilowatt-hours a month in Tupelo, Miss., costs a domestic consumer \$3, when in fact it costs him only \$1.25. In his district in Pennsylvania it would cost \$3.12, although the power company that operates in that area can generate its own power with Pennsylvania coal or purchase it wholesale for less than Tupelo is paying for its power purchased wholesale from the T. V. A. But while the Tupelo system supplies electricity to the people at the yardstick rates, or at rates based upon the cost of generation, transmission, and distribution, the power company is wringing overcharges from the people of his district, including the conscientious gentleman from Pennsylvania himself, amounting to more than 100 percent, as I shall show before I close.

The difference between the gentleman from Pennsylvania and me is that he goes to the power company for his information, and I go to the official record. That was the report of the power company which he read from.

Mr. RICH. Here it is. Read it. It is authentic.

Mr. RANKIN. I do not care to read it; it is not official, and the gentleman knows it is not official.

Mr. RICH. It is sworn to and filed with the Speaker of the House.

Mr. RANKIN. I used the record of the Utilities Commission of the District of Columbia.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Wisconsin for a brief question.

Mr. SCHAFER of Wisconsin. Does not the Public Utilities Commission of the District of Columbia regulate the utilities and control the rates? If that be so, is the gentleman indicting the New Deal which has had control of the Utilities Commission of the District of Columbia for the last 7 years?

Mr. RANKIN. I decline to yield further. The gentleman from Wisconsin does not want information on this subject, but I will give him some a little later, on the way his people in Wisconsin are robbed with overcharges for electricity to the amount of more than \$20,000,000 a year.

As a matter of fact, we were trying to pass a law along the lines of the British law, which would make the Potomac Electric Power Co. give back part of their earnings to the consumers every year and at the same time cut their dividends down in proportion, until they got these rates down to their normal levels. They complied, in a way, so far as the rates were concerned, but they completely dodged the issue so far as their dividends were concerned. A few men who own this concern, or actually one man, draw down

enormous rake-offs every year. The gentleman from Pennsylvania stood here and said they have all this property, when the truth is the consumers in Washington have paid for it many times. Well, suppose I own a house and lot in Williamsport, Pa., the gentleman's home, and that house is worth \$5,000.

Mr. RICH. Woolrich.

Mr. RANKIN. Or in Woolrich, his home town, and I rent it to the gentleman from Pennsylvania. Suppose I have him tied so that he cannot get a house anywhere else, just as the power company has these folks all tied up, both here and in Pennsylvania. They not only cannot get power anywhere else, but they have to pay whatever rates are imposed.

Suppose the gentleman cannot get a house anywhere, and I charge him \$1,000 a year rent. Then suppose I come to him and say, "I am going to raise the rent on that house to \$5,000 a year." He might ask, "What are you going to do with it?" I say, "I am going to build another house with it and I am going to rent it to the gentleman from Wisconsin [Mr. SCHAFER] for \$1,000 a year." Of course, it would all be mine.

That is exactly what this outfit has done here. They have taken from the people of the District of Columbia all this money, and, instead of putting it into rate reductions, they have gone out and reinvested it for themselves, and now call it a part of their rate base.

They remind me of the New Zealand savage William J. Bryan used to tell about who claimed title to a piece of land on the grounds that he had eaten the owner.

Mr. RICH. If the gentleman will read the statement I shall put in the RECORD, he will find they never paid more than 10 percent and they have only done that in the last 2 or 3 years when there has been the undistributed profits tax. Most of the time they paid 5, 6, or 7 percent. If the gentleman will read that tomorrow morning he will know more about it than he does now.

Mr. RANKIN. I hope I will never be that gullible.

When I hear a man get up here and read something, and finally discover he is reading from a statement made by C. W. Kellogg, I feel that he is more to be pitied than blamed.

I promised the gentleman from Pennsylvania [Mr. RICH] a little kindergarten education on power rates in Pennsylvania, so I am going to move up to his district. I want to say again that I love the gentleman from Pennsylvania, and I resent the effort of these utility people to take him off on a snipe hunt and mislead him.

Mr. RICH. I want to say to the gentleman that no public utility or anybody else will take me on a "snipe hunt," not even the gentleman himself. I will take care of myself and I will not ask the gentleman or anybody else to look after me.

Does the gentleman mean to take me on a "snipe hunt"? No one can do that with me; I can take care of myself, and I ask no help from any of my colleagues.

Mr. RANKIN. I said these utilities propagandists had evidently taken the gentleman on a "snipe hunt." I did not do it. Do not blame me for it.

Let me say to the gentleman from Pennsylvania [Mr. RICH] that under the last rates published by the Federal Power Commission, as shown by this book I have here, which gives the rates in every community in the United States, and which I am trying to get published as a House document, so as to have these rates in your hands, because you are going to need them, every one of you, this summer and this fall—it shows that 40 kilowatt-hours of electricity in Tupelo, Miss., costs \$1; in Cleveland, Ohio, where they have a municipal plant, \$1.27; and in Williamsport, Pa., the biggest town in the gentleman's district, and in all the other towns in that area, the cost is \$2.57. In Tupelo, Miss., 50 kilowatt-hours a month costs \$1.25; in Williamsport, Pa., and throughout that area, \$3.12. In Tupelo, 100 kilowatt-hours a month costs \$2.25; and in Williamsport, Pa., and surrounding area, \$5.04. In Tupelo 250 kilowatt-hours a month costs \$4.25; in Williamsport, Pa., and surrounding area the cost is \$8.34, and so forth.

These rates apply to all the towns in that area. The country people in his district pay more, if they get any electricity at all.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I do not have time. I only have a few more minutes.

Mr. RICH. Mr. Speaker, will the gentleman yield for just one question?

Mr. RANKIN. I cannot get any more time, the gentleman sees that.

Mr. RICH. I will try to get the gentleman 1 additional minute.

Mr. RANKIN. The gentleman cannot do it. They have men in the House here to block me. I am sorry, I cannot yield.

Mr. RICH. Nobody will block you from getting time.

Mr. RANKIN. They have tried it already, as the gentleman knows.

Mr. Speaker, I want to set out a comparison between the light and power rates in the district of the gentleman from Pennsylvania, the rates in the District of Columbia, and the rates in my home town of Tupelo, Miss.

The Pennsylvania rates which I shall quote are the rates charged by the Pennsylvania Power & Light Co. in the following towns and cities:

Akron, Alburtis, Allentown, Allenwood, Almedia, Antes Fort, Aristes, Ashland, Ashley, Atglen, Atlas, Auburn, Audenried, Avis, Bareville, Bausman, Beach Haven, Beachlake, Beaver Meadow, Beaver Springs, Beavertown, Benton (Columbia County), Berwick, Berrysburg, Bethlehem, Bingen, Bird in Hand, Bloomfield, Blooming Glen, Bloomsburg, Blue Ball, Bowmans (Carbon County), Bowmansville, Brance Dale, Brandonville, Bressler, Broad Mountain, Brockton, Brodheadsville, Brownstown (Lancaster County), Brownsville (Schuylkill County), Buck Mountain, Butztown, Camp Hill, Canadensis, Carlisle, Castanea, Catasauqua, Cementon, Center Valley, Centralia, Cetrana, Christiana, Christmans, Coal-dale, Columbia, Conestoga, Conyngham, Coopersburg, Coplay, Cortez, Craley, Cranberry Junction, Cresco, Cressona, Cumbola, Dalmatia, Damascus, Danielsville, Danville, Dauphin, Delano, Denver, Dewart, Donaldson, Drifton, Dubois-town, Duncott, East Greenville, East Honesdale, East Peters-burg, East Prospect, East Stroudsburg, East Texas, Ebervale, Eckley, Eden, Egypt, Elizabethtown, Elizabethtville, Elverson, Eysburg, Enhaut, Enola, Espy, Excelsior, Exchange, Fern Glen, Flemington, Florin, Fogelsville, Forestville, Fort Hun-ter, Fountain Hill, Fountain Springs, Frackville, Freeburg, Freeland, Freemansburg, Friedensville, Fritztown, Fullerton, Gap, Gauffs Hill, Georgetown (Luzerne County), Gilbert, Gilberton, Girardville, Gordon, Gordonville, Gottshalls, Gouldsboro (Sand Cut), Gowen City, Gratz, Greely, Greena-walds, Hagersville, Halifax, Hamlin, Hanover (Luzerne County), Harleigh, Harrisburg, Harwood Mines, Hauto, Haw-ley, Hazelton, Hegins, Helfenstein, Hellertown, Herndon, Hetlerville, Highspire, Hogestown, Hokendauqua, Hollister-ville, Holtwood, Homesville, Honesdale, Honeybrook, Hope-land, Hughesville, Hummels Wharf, Hummelstown, Ickes-burg, Intercourse, Jeansville, Jeddo, Jersey Shore, Junedale, Kaska, Kelayres.

Keystone, Kis-Lyn, Kleinfelter, Kulpmont, Lackawaxen, Lake Ariel, Lampeter, Lancaster, Landingville, Landisville, Lansford, Lattimer Mines, Laurel Run, Laurelton, Lavelle, Leacock, Leaman Place, Lehigh Tannery, Leighton, Le-moyne, Light Street, Limeridge, Lincoln, Linden, Lingles-town, Lititz, Litzenberg (Chapman Station), Liverpool, Llewellyn, Lock Haven, Locust Gap, Locustdale, Loganton, Longlevel, Lost Creek, Loyalton, Loysville, Lykens, Lytle, Macungie, Madisonville, Mahanoy City, Mahanoy Plane, Manheim, Mar Lin, Marietta, Marion Heights, Martie Forge, Martins Creek, Marysville, Maytown, McAdoo, McAllister-ville, McClure, McElhattan, Mechanicsburg (Cumberland County), Mechanicsburg (Lancaster County), Mechanics-ville (Schuylkill County), Mexico, Middleburg, Middleport, Mifflin (Juniata County), Mifflintown, Mifflinville, Mill Mall, Millersburg, Millerstown (Perry County), Millersville, Mill-ville, Millway, Milton, Minersville, Montandon, Montgomery, (Lycoming County), Montoursville, Morea Colliery, More-land, Morgantown, Mount Carbon, Mount Carmel, Mount Joy, Mount Pocono, Mountain Top, Mountainhome, Mount-

ville, Mowry, Muir, Muncy, Natalie, Neffs, Neffsville, Nesco-peck, Nesquehoning, New Berlin, New Boston, New Columbia, New Columbus, New Cumberland, New Holland, New Kings-town, New Market, New Philadelphia, New Providence, New-foundland, Newmanstown, Newport (Perry County), New-ville, North Catasauqua, Northampton, Northumberland, Nu-remberg, Oberlin, Oneida, Orangeville, Orefield, Orwigsburg, Orwin, Palo Alto, Paradise, Park Crest, Parryville, Paxinos, Paxtang, Paxtonville, Penbrook, Penns Creek, Pennsburg, Phoenix Park, Picture Rocks.

Pine Grove (Schuylkill County), Plainfield, Plains (Luzerne County), Pleasant Mount, Pocono Pines, Port Carbon, Port Clinton, Port Royal, Port Trevorton, Pottsville, Progress, Qua-kake, Quarryville, Ranshaw, Ravenrun, Ravine, Reamstown, Rebuck, Red Hill, Reinerton, Reinholds, Rheems, Richfield, Richland, Richlandtown, Ringtown, Riverside, Roaring Creek, Robesonia, Rock Glen, Rockville, Roherstown, Rothville, Rutherford Heights, St. Nicholas, Sandy Run (Luzerne County), Schaefferstown, Schenckville, Seelyville, Selinsgrove, Sellersville, Seltzer, Shaft, Shamokin, Shamokin Dam, Shenandoah, Shenandoah Heights, Shepton, Sheridan, Shil-lington, Shiremanstown, Shohola, Siegersville, Silverdale, Sinking Spring, Skytop, Slatedale, Slatington, Snyderstown, Souderton, South Enola, South Williamsport, Spring Glen, Springtown, Steelton, Stevens, Stiles, Stockertown, Stockton, Strasburg, Stroudsburg, Sugarland, Summerdale, Summit Hill, Sunbury, Swatara Station, Tamaqua, Tannersville, Tatamy, Telford, Terre Hill, Thompsonstown, Tobyhanna, Tomhicken, Tower City, Tremont, Tresckow, Trevorton, Trexlertown, Trumbauersville, Turbotville, Tuscarora, Tylersville, Union-dale, Uniontown (Dauphin County), Upper Lehigh, Valley View, Vera Cruz, Vintage, Wadesville, Wagnersville, Walnut Bottom, Walnutport, Warrensville, Washington (Lancaster County), Weissport, Wernsville, Wescoeville, West Catasauqua, West Fairview, West Hazelton, West Milton, West Lawn, White Haven, White Mills, Whitewater, Wiconisco, Wilberton, Wilkes-Barre, Williamsport, Williamstown, Willow Street, Winfield, Witmer, Womelsdorf, Woodland (Schuylkill County), Woolrich, Wormleysburg, Wrightsville, Wyndor, Wyoming, Wyomissing Hills, and Zerbe.

The rates in every one of these places could be reduced to the T. V. A. levels and still leave ample returns on legitimate investments.

You will note that this list includes not only Williamsport, the largest city in the gentleman's district, but also Woolrich, his home town. Here are the rates in effect in all the above cities and towns, compared with the rates in Tupelo, Miss.

Monthly residential rates

	25 kilowatt-hours	40 kilowatt-hours	100 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours	1,000 kilowatt-hours	1,500 kilowatt-hours	2,000 kilowatt-hours
Pennsylvania Power & Light rates.....	\$1.74	\$2.57	\$5.04	\$8.34	\$12.09	\$19.59	\$27.09	\$34.59
Tupelo, Miss. (Tennessee Valley Authority) rates.....	.75	1.00	2.25	4.25	6.15	8.15	10.45	13.95

Commercial rates

	50 kilowatt-hours	150 kilowatt-hours	375 kilowatt-hours	750 kilowatt-hours	1,500 kilowatt-hours	6,000 kilowatt-hours
Pennsylvania Power & Light rates.....	\$3.12	\$8.62	\$20.99	\$40.12	\$73.87	\$216.37
Tupelo, Miss., rates.....	1.25	3.75	8.25	13.25	20.75	57.75

Industrial rates

	15,000 kilowatt-hours	30,000 kilowatt-hours	60,000 kilowatt-hours	120,000 kilowatt-hours	200,000 kilowatt-hours	400,000 kilowatt-hours	1,000,000 kilowatt-hours
Pennsylvania Power & Light rates.....	\$370	\$478	\$872	\$1,602	\$2,568	\$4,962	\$8,535
Tupelo, Miss., rates.....	226	323	547	930	1,991	2,629	5,310

Mr. RICH. But you forget to tell them that the power that you are getting down at Tupelo is paid for by the people in my district, because the Government is doing that, and they are being taxed, and they are paying for the power you are using down there. You get it for less than it costs the Government to furnish it to you in Tupelo, Miss.

Mr. RANKIN. Mr. Speaker, I will answer that statement in a moment.

Mr. RICH. Mr. Speaker, I just want you to show in that 5 minutes, if you will, how much taxes the T. V. A. is paying to any State or any county or anybody else for what they are doing and getting for nothing, and I can show you that every public utility, just like the Potomac Electric Power Co., pays half of their earnings into the Government for taxes. Instead of that, you fellows down there are resting on the Government, and we in Pennsylvania are paying the bill to run the T. V. A. and the Government; and that is where you have the advantage of us, because you have got the Government in business down there.

Mr. RANKIN. Mr. Speaker, the conscientious gentleman from Pennsylvania will have to get a better answer than that when he goes back to face the people in his district and has to confess that every single human being in his district who buys his electricity from the Pennsylvania Power & Light Co.—and that means practically all of them who use electricity—have to pay an overcharge ranging from 100 to 300 percent.

He tries to tell you that the power companies in Pennsylvania pay taxes and that the municipal light and power system in Tupelo does not. In that he has been misled again, for the municipal plant at Tupelo pays proportionately more money in lieu of taxes for the amount of electricity sold than does any power company in Pennsylvania.

Then he tries to make you believe that Tupelo is buying power from the T. V. A. below the cost of production. There he has been misled again. Tupelo pays on an average of a little more than 5 mills a kilowatt-hour for her electricity, while the Alabama Power Co. transmitted power into my district last year and sold it for profit to a private power company at 4.1 mills a kilowatt-hour.

The Louisiana Power & Light Co. generates power, transmits it into the State of Arkansas, and sells it wholesale to the Arkansas Power & Light Co. for profit at 2.6 mills a kilowatt-hour, or a little more than one-half the rate paid by Tupelo when it buys power wholesale from the T. V. A.

But let me bring the gentleman from Pennsylvania a little nearer home, and call his attention to the fact that last year the power generated at the Conowingo Dam on the Susquehanna River was sold at wholesale for profit at 3.34 mills a kilowatt-hour. The Pennsylvania Power & Light Co. can purchase power, or generate it with Pennsylvania coal anywhere in the State at less than 4 mills a kilowatt-hour. Then it certainly ought to be able to distribute it at the same rates the city of Tupelo distributes her power for which she pays 5 mills a kilowatt-hour.

If that were done, the average householder in the gentleman's district would save more than 100 percent on his light and power bill, and the commercial consumer would save anywhere from 175 percent to 300 percent; while a small industry using 200,000 kilowatt-hours a month would save about \$700 a month. One using 400,000 kilowatt-hours would save \$2,300 a month; and one using 1,000,000 kilowatt-hours a month would save \$3,200 or more than \$37,000 a year, on its electric power bill—and the people of the whole State would save \$72,000,000 a year.

But the gentleman from Pennsylvania intimates that this drive to get electricity to the American people at what it is worth is socialism; when, as a matter of fact, it is the greatest movement toward individualism this country has seen for generations. It is building up the homes, the mercantile establishments, and the small industries of the Nation and making this country a better, a brighter, and a richer place in which to live.

God speed the day when we can convert men like the gentleman from Pennsylvania [Mr. RICH], enlist their enthusiastic support, and bring the blessing of cheap electricity

to the people of the entire Nation, including the now helpless consumers in Pennsylvania. [Applause.]

The SPEAKER. Under order of the House heretofore made, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 20 minutes.

THE CIGAR INDUSTRY

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. GROSS. Mr. Speaker, I have come to the Well of this House today to plead with you to let my people work. The cigar industry, which had its beginning in my county—York County, Pa.—150 years ago, and which has built towns and communities and afforded a high standard of living for many thousands of people, is rapidly coming to a close because of the recent legislation passed by this House. Just this week several more factories have been forced to close. Not only the community is suffering in this, but the Federal Government, too, will suffer.

The local internal-revenue office of Red Lion reports that in 1939 cigar stamps were sold there for 253,270,518 cigars. Wherever cigars have been sold in recent years the name of Red Lion suggested itself and immediately people thought of cigars, and more cigars—once good, honest, 5-cent cigars. Not only did the cigar industry mean prosperity in the communities in which the factories were located but to the surrounding country for miles and miles around. Good times or bad times depended on the cigar industry. I am inviting the membership of this House to drive up into my county, just 100 miles away from here, and see what a community has been built up by this industry, with its large banks, churches, schools, and substantial homes.

Red Lion Borough, incorporated 60 years ago, built out of cigars, has the highest percentage of population attending Sunday school of any community in the United States. They have never allowed liquor to be sold in the town. They have set up a standard of morals and living generally that has never been surpassed anywhere. And now the wage and hour law is forcing these factories to close. There was a time not long ago when an adjoining borough had more than 40 cigar factories, some of them employing several hundred people. Today, if I am rightly informed, there are only 2 or 3 in operation. Would you believe me when I tell you that this town must be a ghost town in the near future?

Recently a cigar manufacturer who had been in business for many years was compelled to pay to his employees wages, due under the new act, totaling \$2,900. Mr. Heindle issued these checks to his employees and all of the 38 employees walked into his office and laid their checks on his desk, refusing to accept them. This speaks for the feeling of the people in the community. This is concrete evidence of the good will existing between the employees and the employers.

Another factory that recently closed posted a lengthy statement in their plant calling to the attention of the workers that because of the existing wage and hour law they were compelled to close their factory. And they did close on February 23. They definitely set forth in the statement that they had a market for cigars and that they wanted to continue to operate, and that just as soon as the liberty and freedom they had enjoyed throughout a period of years was given back to them they would open up their business and reemploy every one of their old employees.

I am asking this House if it is going to stand idly by and see community after community like this with thriving industry be blackened out by a destructive piece of legislation when it could be prevented by simply amending the law. I am asking you again why you will not let my people work?

I am reliably informed that recently when several of these factories closed the workers flocked to the unemployment agency 10 miles away to find the place overcrowded and many of them had to go back to their homes and return the next day to report. True it is that many of them are not earning much money, but they are willing to work for what they are earning and they will make their earnings keep them rather than be on relief. Years ago I read a book—I have even forgotten the title—but it con-

cerned starving people in Ireland, and about all I remember of the book was that the writer said, "What has poor Ireland done that England will let the people starve?" I am asking this House and particularly the New Deal Members here, "What have my people done that you refuse to let them work and earn an honest living?"

There never were any labor troubles in the cigar communities until 1933, when due to recent legislation supported by rubber-stamp politicians a group of outside troublemakers, principally from New York and Philadelphia, came into the county and created a strike. The strike so disrupted business that the machine began to come and then finally hundreds of people were clinging to the last straw—working and willing to work for what they could earn.

We find the present vicious law severing that last straw, and I am here today pleading for those people and again asking this House why in the name of God and humanity you will not let my people work?

[During the delivery of the foregoing the following occurred:]

Mr. HOFFMAN. Mr. Speaker, I did not yield for a speech.

The SPEAKER. The gentleman yielded to the gentleman from Pennsylvania and this will be taken out of the gentleman's time.

NATIONAL LABOR RELATIONS BOARD

Mr. HOFFMAN. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman from Michigan is recognized for 13½ minutes.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. Mr. Speaker, speaking under a special order, if I start a sentence and have not finished it before someone demands that the words be taken down, have I the right to finish that sentence so as to make the meaning clear?

Mr. WALTER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WALTER. Can the Speaker of the House of Representatives make a declaratory judgment?

The SPEAKER. The Chair doubts if the gentleman from Pennsylvania states a parliamentary inquiry and he also doubts very much whether the gentleman from Michigan states a parliamentary inquiry, because the matter to which the gentleman refers has passed beyond the present stage of discussion.

Mr. HOFFMAN. It may come up later.

The SPEAKER. If it does, the Chair will then rule upon it.

Mr. HOFFMAN. Then I would not be accused of ignoring the ruling of the Chair if I act in good faith?

The SPEAKER. The gentleman from Michigan under special order of the House is now entitled to 13½ minutes. The gentleman will proceed.

Mr. HOFFMAN. Mr. Speaker, last Friday I endeavored to make it clear that the hearings before the Smith committee had disclosed a situation which shows that the Labor Board had gotten into such a position that it is no longer useful. That is, that the confidence of the people throughout the country, in that Board, had been destroyed, also that this investigation before the Smith committee had shown that the law itself should be amended. At that point in the discussion I was asked by the gentleman from Michigan [Mr. Hook] who resides in the northern peninsula of Michigan, and who is the only Democratic Member of this body from his State who resides in that peninsula, why the Smith committee should continue those hearings, if the statements I had made previously were correct. It was then my duty and I endeavored to show to the satisfaction of the gentleman from northern Michigan, who is a Representative in this House and lives in the northern peninsula, why the committee should continue. The investigation has already proceeded so far, if the newspaper reports are true, that the committee itself is now proposing amendments, is getting ready to make what is known as a preliminary report, which would embody these amendments.

The investigation of that committee has disclosed to the membership of the House and to the country that we have ample evidence showing the necessity for the abolition of the Board, for the amendment of the law, but there may be somebody here and there throughout the country or there may be some Member of the House who is not satisfied, and so, in order to satisfy that individual or that Member of the House or to remove from the mind of this one man or two men, if there were two, a doubt if one existed, and to show that there is not longer any doubt about what we should do, the Smith committee obtained another \$50,000 and intends to continue its investigation.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield for a question.

Mr. RAYBURN. I wanted to give the gentleman in one moment my version of why the committee desires to proceed.

Mr. HOFFMAN. But I did not ask the gentleman. I was trying to tell my version. My version is just as I said, that the committee intends to continue so that no longer can anyone doubt the necessity of making these moves. I recall, in my childhood days, that there was a doubting Thomas who wanted to put his finger in the wound on our Saviour's side so he would know that Christ had been crucified. Thomas would not accept the testimony of the other disciples but demanded that he be shown. I do not have any criticism of any Member of the House, or anyone on the outside, who wants to wait until the last bit of evidence that can be produced has been produced before making up his mind. On the other hand, if the rest of us are satisfied, then there is no reason why we should not act.

As an illustration, you will recall that the Smith committee found in the files of the Board a memorandum by Mr. Witt, Secretary of the Board, which told of a visit which he was asked to make to Pittsburgh on the 2d day of June 1937, there to meet Lee Pressman, general counsel of the C. I. O., and Philip Murray, vice president of the C. I. O., in order that they might make a demand upon the Inland for a signed contract, something which the Supreme Court had said, back in April of 1937, need not be made in oral form.

Now, suppose I doubted that that memorandum was in Witt's handwriting. Suppose I claimed that that document was forged. Then there would be the question whether it was forged or not.

Now, we are all familiar, I think, with the proposition that it takes expert testimony to determine whether an instrument has been forged or not. We have had books written on that subject. So if I were in doubt, even though Mr. Witt came in and admitted that he made it, even though Mr. Mayne came in and admitted that the document, the authenticity of which was questioned, was forged, still I might think that Mr. Witt or Mr. Mayne was laboring under a misapprehension and might be mistaken, and I might want to wait until there had been further evidence from the F. B. I. The average citizen who heard the testimony in the Smith hearing knows we need a new Board—that the law should be amended.

So perhaps this committee is going on and on and on until they have convinced by overwhelming testimony the last doubting Thomas.

I suppose you noticed in the papers that the committee was going to bring out a preliminary report, and the newspaper reporters have been speculating as to the amendments which were to be proposed by the Smith committee. After the Smith committee brings out this report—suppose it brings it out this week—that report will be referred to the Labor Committee of the House. We have the statement of the chairman of that committee, through the papers at least, that no action will be taken until the final report of the Smith committee is brought out. When is that going to be? Does anyone know? We will go along until the latter part of March or the first of April. Then if it is referred to the Labor Committee of the House it must be there 30 days, must it not, before you can get it on the floor of the House by petition? The papers also state that two gentlemen from Georgia, who are Members of this House, intend to bring out a discharge petition if the Committee on Labor

does not act. But, as I said before, that will take 30 days after the report of the Smith committee has been submitted to the Labor Committee of the House of Representatives. Certainly this House will give the Labor Committee a few days, perhaps a week or 2 weeks, to consider that. Then we will be getting down to the end of the session.

The appeal that I have made is this, that inasmuch as we know now, the majority of us, that this law should be amended, inasmuch as the Congress intends sometime to get rid of that Board, and the only way you can get rid of the Board is to repeal the act and pass legislation creating a new Board, enacting such provisions as you want to, the only way that can be done being by some sort of petition similar to that which these two gentlemen from Georgia are quoted as stating they intend to circulate, why is it that the Republicans who advocate a change of this law should sit here and wait for the majority to act, if we really want that act amended? Why should we not sign this Petition No. 23 that I put on the Speaker's desk some time ago and bring out the bill which I introduced in March of 1939 and get it on the floor of this House? Then throw it into the wastebasket, if you wish, or propose any amendment you wish, but insure that the House at least, regardless of what the Senate may do, will propose amendments to the National Labor Relations Act, and abolish the Board.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes; I yield.

Mr. GROSS. Being a member of that Labor Committee I believe that their procrastination is just a part of the determination on the part of the leadership not to get anything out of that committee. With all of the pressure that is being exerted on us, I believe they are determined not to bring anything out, but what they are trying to do is to discredit the Smith committee, and it is the most popular committee today of any committee of Congress.

Mr. HOFFMAN. All I can say today is that three Members of the House Committee on Labor have signed Petition No. 23, that the House Committee on Labor has been holding hearings for more than 10 months, that this subject has been up for 2 years; and if there has been delay, this delay should be charged to the majority side. If there is no inclination shown to bring out this legislation, then from this time on the lack of doing something instead of talking about doing something can be charged to the majority side; and there is no reason for us to let the majority circulate their petition and steal our thunder.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. CRAWFORD. I wish to ask the gentleman a question because of his intense study of the Wagner Act, the wage-hour law, and the work of the Labor Board. In the gentleman's opinion—and I realize this is only an opinion but I am asking it because I think the gentleman's opinion will be as good as that of anyone in the House—in the gentleman's opinion will this present session of Congress be permitted to consider amendments to the wage and hour law or the Wagner Labor Relations Act?

Mr. HOFFMAN. I have no way of knowing. The answer to that rests with the majority unless we of the minority come up here and get together within striking distance by the signing of petition No. 23. If we do, then we can say to those on the majority side who really want the law amended: "Now, come on, boys, we have 150 signatures to this petition; you come up now and sign." If they refuse then there is evidence that there is no real desire to amend the law. I do not know any other way to bring it out other than by a discharge petition.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes; I yield to a member of the Committee on Labor.

Mr. RANDOLPH. The gentleman stated that three members of the Committee on Labor had signed petition No. 23.

Mr. HOFFMAN. Yes.

Mr. RANDOLPH. Would the gentleman also inform the House of the approximate number, if not the exact number, of Members who have signed it?

Mr. HOFFMAN. I have never looked at it since I filed it with the Clerk. I am not going around begging anyone to sign any petition. I made the simple announcement that the petition was there and its purpose, and I assume that every Member of the House will exercise his own good judgment whether he wants to sign it or not.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield further?

Mr. HOFFMAN. I yield.

Mr. CRAWFORD. The reason I ask this question is because I have received so many letters from Democrats and Republicans operating industries in my district asking whether the Congress will be permitted to consider the matter at this session.

Mr. HOFFMAN. I do not know. That is within the control of the majority leadership and I have no way of knowing what their program is.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. WALTER. Does not the gentleman feel that much of the criticism that is made of the National Labor Relations Board is the result of the manner in which the act has been administered?

Mr. HOFFMAN. Much of it, yes.

Mr. WALTER. The Judiciary Committee last year reported almost unanimously a bill that would provide judicial review of decisions of administrative agencies. Does not the gentleman feel that the prompt enactment of that bill would at least hang something over the heads of these administrators so that they would attempt to carry out the clearly expressed intent of Congress?

Mr. HOFFMAN. I intend to vote for that bill and do everything that I can to get others to vote for it. [Applause.]

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. STEARNS of New Hampshire indefinitely.

WITHDRAWAL OF RESOLUTION

Mr. PATMAN. Mr. Speaker, on last Wednesday I filed House Resolution 404 through a misunderstanding. I am advised by the Parliamentarian that it cannot be withdrawn except by action of the House. I therefore ask unanimous consent that the Committee on Rules be discharged from further consideration of House Resolution 404 and that the resolution be laid on the table.

The SPEAKER. Without objection, the request of the gentleman from Texas will be granted.

There was no objection.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a radio speech delivered by myself.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE LITTLE RED SCHOOLHOUSE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a letter I have received from the Detroit Federation of Teachers and my reply thereto.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker and my colleagues in the House, I want to speak today for a few minutes on the subject of the little red schoolhouse. Aply it has been said that when Abraham Lincoln was a boy the schoolhouses were red only on the outside. I want to cast no reflections generally upon our American system of education, nor the many thousands of loyal school teachers in our Nation, but I do say to you that it should be a matter of grave concern to us all—not only to Members of this House but to all citizens of the United States—that we see to it that no taint of

pink stains the pure whiteness of our great system of education [applause] which made this the greatest Nation on earth.

If stories that we hear have any foundation, many of our educational institutions are not only at present afflicted with a pink stain, but in some cases this stain verges on red. In any event, in my opinion, it is time that this Congress—that the people who elect us, as well as the boards of education and the regents of universities in this Nation—see to it that our teachers hereafter spend more time teaching Americanism and the principles of religion and less time expounding doctrines of un-Americanism and in criticism of our traditional American institutions.

Now, Mr. Speaker, I am aroused by a letter which I received Saturday from the Detroit Federation of Teachers, at the top of whose letterhead there is this slogan, "Democracy in education—Education for democracy." The letter is signed by Mr. Philip H. Nichamin, chairman, legislative committee.

I do not know who Mr. Nichamin may be. I have been informed by the Bureau of Naturalization of the Department of Labor today that according to their records there was born in Minerk, Russia, in 1875, one Henry Nichamin who became a naturalized American citizen December 4, 1912, and lives in Detroit. According to the records at the time he was naturalized, he had two sons—Sammy and Heinie—born in 1906 and 1909, respectively. I do not know whether Mr. Philip H. Nichamin is either of those sons.

Mr. Speaker, I have the greatest respect in the world for the Detroit schools and Dr. Frank Cody, who has been the superintendent of schools in Detroit for many years. I do not know how many of the Detroit teachers belong to the Detroit Federation of Teachers, Local 231, 4612 Woodward Ave. But I sincerely hope that none of the teachers of Detroit subscribe to, and have had any part in, the drafting of the letter I received and which I shall introduce a little later in my remarks. If they do so subscribe, I feel that they have not been put in possession of the facts or have been deliberately misled in opposing the various measures mentioned in this letter. But if they do so subscribe, after having been put in full possession of the true facts and having fully understood what is in each of the bills mentioned, then I say to you, Mr. Speaker, they are not worthy of the solemn responsibilities entrusted to them as teachers of American youth.

Now, Mr. Speaker, I wish to read this letter received from Mr. Nichamin, together with my reply.

THE DETROIT FEDERATION OF TEACHERS,
LOCAL 231, THE AMERICAN FEDERATION OF TEACHERS,
Detroit, Mich., February 29, 1940.

Representative FRED BRADLEY,
Washington, D. C.

DEAR REPRESENTATIVE BRADLEY: As workers and educators, we are alarmed by the flood of antialien bills now pending in Congress. We are alarmed by the implications and the potential abuses of such legislation. We are convinced that civil rights, like peace, are indivisible: when the rights of any section of the population are threatened, so are the rights of the rest.

Education for democracy cannot be realized if teachers' rights are to be endangered. Furthermore, there is precedent and logic which indicates that restrictive legislation, such as the antialien bills, are weapons against the rights of working people, and especially against those in the ranks of organized labor.

We ask you to use your influence in defeating all such legislation, and particularly the following: The Stewart bill (S. 2830), the Smith bill (H. R. 5138), the Dempsey bill (H. R. 4860), the Hobbs bill (H. R. 5643), the Reynolds bills (S. 1979 and S. 1980).

We hope that you will give our plea your consideration.

Sincerely yours,

PHILIP H. NICHAMIN,
Chairman, Legislative Committee.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 4, 1940.

THE DETROIT FEDERATION OF TEACHERS, LOCAL 231,
4612 Woodward Avenue, Detroit, Mich.

(Attention Mr. Philip H. Nichamin, Chairman, Legislative Committee.)

GENTLEMEN: I acknowledge and thank you for your favor of February 29th objecting to certain so-called antialien bills now pending in Congress.

I have every sympathy for an alien. I have every sympathy for the oppressed peoples of certain other nations of the world. How-

ever, so far as I have been able to determine, we have not as a Nation ever established recruiting stations abroad soliciting immigration into the United States. Generally speaking, on the other hand, our doors have always been open to aliens. They must, however, realize that in coming to the United States of America they must be determined to and desirous of living under our form of government, under our ideals of government, and under our principles of government. When this is not so, as far as I am concerned, they are no longer to be desired in this country. There is nothing in the Constitution of this country which teaches that it should commit suicide while shielding within its folds, and under its protection, those who would bring about its destruction.

Each of the several bills mentioned in your letter is designed to protect the Constitution of the United States and the loyal American citizens who live under its cloak. It is the intention of these bills to restrict the activities only of undesirable aliens. I shall support each and every one of those measures that have that aim in view.

Very truly yours,

FRED BRADLEY, M. C.

Mr. Speaker, verily it is time that the people of America awaken lest under influences and philosophies such as these promulgated by Mr. Nichamin turn the Little Red Schoolhouse into a Big Red Schoolhouse. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. GIFFORD]?

There was no objection.

SEVENTH ANNIVERSARY OF THE BIRTH OF THE NEW DEAL

Mr. GIFFORD. Mr. Speaker, I rise at this time simply to express my extreme disappointment as I expected to listen to some remarkable speeches today in honor of the seventh birthday of the New Deal. I want to express my very great disappointment.

EXTENSION OF REMARKS

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to include in the Appendix of the RECORD a radio address I delivered before the Benevolent and Protective Order of Elks of Washington on last Wednesday.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. GEARHART]?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein an article from the pen of Paul Scharrenberg, entitled "Washington, the City Beautiful," which is a reprint from the American Federationist.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. GEARHART]?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a table showing the spending of American Presidents as published on January 6 in the New York Sun.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

ACQUISITION OF CERTAIN ISLANDS IN THE CARIBBEAN

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, a few days ago on this floor I called attention to the decision of Pan American Airways in canceling the east-bound stop at Bermuda on the flight to Europe due to the British seizure and censorship of mail.

In connection with this matter I quote from a recent Detroit Free Press editorial:

There is some talk in London about the "theoretical right" of a belligerent to "hail the clippers above the high seas and force them down and search them for contraband."

The possibility that something of this sort may be attempted has been suggested from the start, but practical difficulties and hazards in the way of undertaking it exist.

And there are other reasons why, it is to be hoped, the British will not undertake anything of the sort.

The forfeiture of American friendliness and good will which might be a result, particularly in the event of some untoward and perhaps fatal accident, would be a loss far greater than any possible gain from the practice.

I have introduced in the House this afternoon a resolution looking toward the acquisition of certain British islands in the Caribbean and British Honduras. The President is asked to enter into negotiations in any manner as may be deemed appropriate.

An identical resolution has been introduced in the other body this afternoon by the able Senator from North Carolina [Mr. REYNOLDS], and I am sure that his grasp of the situation will be reflected in appropriate remarks which he no doubt will make before the Senate on this proposal.

Mr. FISH. Will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from New York.

Mr. FISH. There has been a good deal said about this matter in the newspapers. Why should not the gentleman's resolution be seriously considered with a view to liquidating some of the British war debt payments which are now due us?

Mr. RANDOLPH. That is exactly what I propose to do. It would be in part payment for the indebtedness which the British Government owes the United States. That would be the basis for the negotiations.

Mr. FISH. In view of the fact they are not paying interest on the debt, why should we not get it for some of the interest payment immediately?

Mr. RANDOLPH. I think the gentleman's suggestion is splendid. I am pleased to have his support of my resolution. [Here the gavel fell.]

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 424. Joint resolution to authorize the United States Maritime Commission to acquire certain lands at St. Petersburg, Fla.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 29 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 5, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE CENSUS

There will be hearings by the Committee on the Census in room 312, House Office Building, Tuesday, March 5, 1940, at 10:30 a. m., on the reapportionment of Representatives in Congress.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 a. m., Wednesday, March 6, 1940, for the consideration of H. R. 8540.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, March 6, 1940, at 10:30 a. m., for the consideration of H. R. 2176, H. R. 7878, and H. R. 8236.

COMMITTEE ON THE JUDICIARY

On Wednesday, March 6, 1940, at 10 a. m., there will be continued before Subcommittee No. 1 of the Committee on the Judiciary public hearings on the following bills:

H. R. 3331 and S. 1032, to amend the act entitled "An act to provide conditions for the purchase of supplies and the

making of contracts by the United States," and for other purposes.

H. R. 6395, to extend the provisions of the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes," approved June 30, 1936, to certain contracts carried out with the aid of Federal funds.

The hearings will be held in room 346, House Office Building.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Thursday, March 7, 1940:

H. R. 6321, to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes.

This bill was previously referred to the Committee on Ways and Means, but under date of February 26 it was rereferred to this committee.

Tuesday, March 12, 1940:

H. R. 5476, to create the Alaska Fisheries Commission, and for other purposes.

H. R. 6690, making further provision for the protection of the fisheries of Alaska, and for other purposes.

H. R. 7542, to amend section 6 of an act of Congress entitled "An act for the protection of the fisheries of Alaska, and for other purposes," approved June 6, 1924.

H. R. 7987, to amend section 1 of the act of June 6, 1924, as amended, relative to the fisheries of Alaska.

H. R. 7988, making provision for employment of the residents of Alaska in the fisheries of said Territory, and for other purposes.

H. R. 8115, making provision for employment of residents of Alaska only in the salmon fishery of the Bristol Bay area, Alaska, during the year 1940.

H. R. 8172, to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery.

Tuesday, March 19, 1940:

H. R. 6136, to amend the act entitled "An act for the establishment of marine schools, and for other purposes," approved March 4, 1911 (36 Stat. 1353; 34 U. S. C. 1122), so as to authorize an appropriation of \$50,000 annually to aid in the maintenance and support of marine schools.

H. R. 7094, to authorize the United States Maritime Commission to construct or acquire vessels to be furnished the States of New York, Massachusetts, Pennsylvania, and California, for the benefit of their respective nautical schools, and for other purposes.

H. R. 7870, to extend the provisions of the act entitled "An act for the establishment of marine schools, and for other purposes," approved March 4, 1911, to include Astoria, Ore.

H. R. 8612, to authorize the United States Maritime Commission to construct or acquire vessels to be furnished the States of New York, Massachusetts, Pennsylvania, and California, for the benefit of their respective nautical schools, and for other purposes.

COMMITTEE ON PATENTS

The Committee on Patents, House of Representatives, will hold hearings Thursday, March 14, 1940, at 10:30 a. m., on H. R. 8445, to protect the United States in patent-infringement suits. H. R. 8445 is a substitute for H. R. 6877.

The Committee on Patents will hold hearings Thursday, March 21, 1940, at 10:30 a. m., on S. 2689, to amend section 33 of the Copyright Act of March 4, 1909, relating to unlawful importation of copyrighted works.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1424. A letter from the secretary, the American Academy of Arts and Letters, transmitting official report of the American Academy of Arts and Letters for the year 1939; to the Committee on the Library.

1425. A letter from the Acting Secretary of War, transmitting draft of a proposed bill to prevent retardation in promotion and in pay and allowances of permanent pro-

fessors of the United States Military Academy appointed by the President from the commissioned officers of the Regular Army which the War Department presents for consideration of the Congress with a view to its enactment into law; to the Committee on Military Affairs.

1426. A letter from the president, Board of Commissioners of the District of Columbia, transmitting draft of a proposed bill to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the police department; to the Committee on the District of Columbia.

1427. A letter from the president, Board of Commissioners of the District of Columbia, transmitting draft of a proposed bill to provide for the regulation of the business of fire, marine, casualty, and title insurance, and for other purposes; to the Committee on the District of Columbia.

1428. A letter from the Secretary of Agriculture, transmitting Seventh Annual Report of the Farm Credit Administration covering its operations for the year 1939 (H. Doc. No. 647); to the Committee on Agriculture and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TAYLOR: Committee on Appropriations. H. R. 8745. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes. (Rept. No. 1709). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 8295. A bill for the relief of Leo Neumann and his wife Alice Neumann; with amendment (Rept. No. 1710). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CUMMINGS:

H. R. 8746. A bill to amend the Sugar Act of 1937, and for other purposes; to the Committee on Agriculture.

By Mr. GEARHART:

H. R. 8747. A bill to provide for the acquisition of certain lands within the Sierra National Forest in the State of California; to the Committee on Agriculture.

By Mr. JONES of Texas:

H. R. 8748. A bill to reduce permanently the interest rates on Federal land bank and land-bank commissioner loans; to relieve Federal land-bank borrowers of stock liability; to place the Federal land banks on a self-supporting basis; to refund and guarantee the bonds of such banks; to increase the functions and responsibilities of national farm-loan associations and county committees of farmers; to provide for the adjustment and refinancing of farm-mortgage debts; to limit the institution of foreclosure proceedings and the taking of deficiency judgments; and for other purposes; to the Committee on Agriculture.

By Mr. NELSON:

H. R. 8749. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Petersburg, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of California:

H. R. 8750. A bill to safeguard the rights of American employers and American employees by requiring that employee representatives under the National Labor Relations Act be citizens of the United States; to the Committee on Labor.

By Mr. REECE of Tennessee:

H. R. 8751. A bill enabling the formation of the Delaware-New Jersey Bridge Corporation, defining its powers and duties, and authorizing it to design, construct, maintain, and operate

a bridge across the Delaware River at or near Wilmington, Del.; to the Committee on Interstate and Foreign Commerce.

By Mr. McCORMACK:

H. R. 8752. A bill to provide pay to Air Corps Reserve officers for risks incurred in authorized training flights when not on active duty; to the Committee on Military Affairs.

By Mrs. O'DAY:

H. R. 8753. A bill to amend subsection (d) of section 4 of the act of Congress approved May 26, 1924, entitled "An act to limit the immigration of aliens into the United States, and for other purposes"; to the Committee on Immigration and Naturalization.

By Mr. EDWIN A. HALL:

H. J. Res. 480. Joint resolution prohibiting payment of compensation for a President during his third term of office; to the Committee on the Judiciary.

H. J. Res. 481. Joint resolution proposing an amendment to the Constitution of the United States with respect to the ineligibility of a President to a third term; to the Committee on the Judiciary.

By Mr. RANDOLPH:

H. J. Res. 482. Joint resolution for the acquisition of British islands in the Caribbean and British Honduras; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to consider their resolution with reference to election of Presidents of the United States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to consider their House Resolution No. 56, with reference to Senate bill 1518 and House bill No. 7152 of the Seventy-sixth Congress, which provide for the establishment of the Cumberland Gap National Historical Park and the Cumberland national recreational area in Kentucky, Virginia, and Tennessee; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H. R. 8754. A bill to authorize cancelation of deportation in the case of Anthony Consola; to the Committee on Immigration and Naturalization.

By Mr. BULWINKLE:

H. R. 8755. A bill for the relief of I. M. Cook, J. J. Allen, and the Radiator Specialty Co.; to the Committee on Claims.

By Mr. BYRNE of New York:

H. R. 8756. A bill for the relief of Agostino Lubrano; to the Committee on Immigration and Naturalization.

By Mr. CLASON:

H. R. 8757. A bill for the relief of Maj. John R. Holt; to the Committee on Claims.

By Mr. COLLINS:

H. R. 8758. A bill for the relief of J. D. Austin; to the Committee on Claims.

By Mr. REECE of Tennessee:

H. R. 8759. A bill for the relief of Will T. Stevens; to the Committee on Claims.

H. R. 8760. A bill granting a pension to Mary E. Fox; to the Committee on Invalid Pensions.

By Mr. SASSCER:

H. R. 8761. A bill for the relief of Philip Duplessis; to the Committee on Claims.

By Mr. VINCENT of Kentucky:

H. R. 8762. A bill for the relief of W. H. Rabold, Sr., administrator of the estate of Raphael Fred Rabold; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6765. By Mr. ANDERSON of California: Senate Joint Resolution No. 6, relative to memorializing the President and the Congress of the United States to enact Senate bill 2212, relating to the development of marketing and marketing services for farm commodities; to the Committee on Agriculture.

6766. By Mr. BOYKIN: Petition of J. Woodie Cook, of Riderwood, Ala.; to the Committee on Ways and Means.

6767. By Mr. BURDICK: Petition of Roderick Macheran and J. Ellensen, of Sarles, N. Dak., and others; to the Committee on Ways and Means.

6768. By Mr. ENGLEBRIGHT: Assembly Joint Resolution No. 14, State of California, relative to continuance of Japanese beetle suppression under Federal auspices, and Senate Joint Resolution No. 1, State of California, relative to memorializing Congress to enact a plan for old-age security wholly supported by Federal funds; to the Committee on Agriculture.

6769. By Mr. HART: Petition of the National Association of Tobacco Distributors, New York, N. Y., urging the modification of the Fair Labor Standards Act to exempt employees of wholesale distributors from the hours limitations (but not the wage provisions) now prescribed by that law; to the Committee on Labor.

6770. Also, petition of the Polish-American Citizens' Club of Camden, N. J., urging that financial aid be extended to the Polish Government, and that measures be enacted permitting the entry into the United States of Polish refugee children; to the Committee on Foreign Affairs.

6771. Also, petition of the Industrial Union of Marine and Shipbuilding Workers of America, Local No. 15, Hoboken, N. J., urging that provision be made to exclude the importation of refined sugar made by cheap tropical labor in order that American workmen can regain the work they have lost; to the Committee on Agriculture.

6772. By Mr. HARTER of New York: Petition of the Buffalo Lodge, No. 1, International Ship Masters' Association, Buffalo, N. Y., opposing the proposed St. Lawrence seaway project; to the Committee on Foreign Affairs.

6773. By Mr. JOHNS: Petition of W. A. Ahlstrom, of La Crosse, Wis., and 125 other citizens of Wisconsin, asking vigorous support of the Patman chain-store bill (H. R. 1), to the end that it may be speedily enacted into law; to the Committee on Ways and Means.

6774. By Mr. LUTHER A. JOHNSON: Petition of W. C. Dulaney, Coolidge, Tex., favoring Senate Joint Resolution 66, making refund of the processing tax on hogs marketed for slaughter by the raisers and producers; to the Committee on Agriculture.

6775. By Mr. MARTIN J. KENNEDY: Petition of the Syracuse Chamber of Commerce, Syracuse, N. Y., expressing opposition to the St. Lawrence seaway and power project; to the Committee on Interstate and Foreign Commerce.

6776. Also, petition of the superintendent of public works, State of New York, Albany, N. Y., expressing opposition to House bill 6395, which concerns power to the Labor Department to set up hours and wages on all contracts in which the Federal Government is the expender; to the Committee on the Judiciary.

6777. By Mr. KRAMER: Resolution of the city of Los Angeles relative to adequate Federal-aid program under title I; to the Committee on Ways and Means.

6778. Also, resolution of the West Los Angeles Democratic Club, No. 1, relative to the antipoll tax, etc.; to the Committee on Ways and Means.

6779. Also, resolution of the Senate and the Assembly of the State of California relative to memorializing the President and the Congress to enact Senate bill 2212, relating to the development of marketing and marketing services for farm commodities; to the Committee on Agriculture.

6780. Also, resolution of Long Beach Chamber of Commerce relative to flood-control authorization, etc.; to the Committee on Flood Control.

6781. By Mr. McCORMACK: Petition of the Massachusetts Women's Political Club, Florence Birmingham, of Brighton,

Mass., president, condemning the enforced 30-day furlough of Work Projects Administration workers, and requesting the Congress to provide sufficiently large appropriation to give work to the unemployed through made-work relief until a solution is found for the pressing problem of joblessness; to the Committee on Appropriations.

6782. By Mr. MACIEJEWSKI: Resolution adopted by American citizens, 2,000 strong, at a mass meeting of members of St. Valentine's Roman Catholic Church held in St. Valentine's Hall, Cicero, Ill., February 23, 1940, relating to Polish relief; to the Committee on Foreign Affairs.

6783. Also, resolution of the executive committee of taxpayers' associations of Illinois, relating to 30-hour-week employment; to the Committee on Labor.

6784. By Mr. PATMAN: Petition of Gus Marx and 227 other citizens of Pawnee, Okla., favoring the passage of House bill 1, the Federal chain-store tax bill; to the Committee on Ways and Means.

6785. Also, petition of William Seibert and 58 other citizens of New York State, favoring House bill 1, the Federal chain-store tax bill; to the Committee on Ways and Means.

6786. By Mr. PFEIFER: Petition of A. W. Brandt, superintendent of public works, Albany, N. Y., opposing House bill 6395; to the Committee on the Judiciary.

6787. By Mr. RANKIN: Petition of the Legislature of Mississippi; to the Committee on Banking and Currency.

6788. By Mr. SCHIFFLER: Petition of John P. Helmick, M. D., secretary, Marion County Medical Society, Fairmont, W. Va., for the establishment of a national department of health, the executive officer of which shall be established as a member of the President's Cabinet as secretary of health; to the Committee on Interstate and Foreign Commerce.

6789. Also, petition of Rev. John Arthur Visser, minister, Vance Memorial Church, Woodsdale, Wheeling, W. Va., and members of the youth groups of Vance Memorial Church, protesting against shipment of war materials to Japan; to the Committee on Foreign Affairs.

6790. By Mr. SNYDER: Petition from Charles W. Baldwin, of Somerset, Pa., urging that Congress pass legislation restoring benefits denied some of the Spanish War veterans under the provisions of the late Economy Act; to the Committee on Pensions.

6791. By the SPEAKER: Petition of the Manhattan Council for Civil Rights, Mrs. William R. Price, chairman, New York City, petitioning consideration of their resolution with reference to the so-called antialien bills; to the Committee on Immigration and Naturalization.

6792. Also, petition of H. F. Haley and others, of Stanford University, petitioning consideration of their resolution with reference to reciprocal-trade agreements; to the Committee on Foreign Affairs.

6793. Also, petition of Philip Schoenberg, of Cleveland, Ohio, petitioning consideration of their resolution with reference to elections in Cuyahoga County, and others in Ohio; to the Committee on Elections No. 3.

6794. Also, petition of the Board of Navigation and Canal Commissioners of the Point Isabel-San Benito Navigation District of Cameron County, Tex., petitioning consideration of their resolution with reference to the Corps of Engineers of the United States Army; to the Committee on Rivers and Harbors.

6795. Also, petition of the San Diego Young Democrats, San Diego, Calif., petitioning consideration of their resolution with reference to loans to any foreign power; to the Committee on Appropriations.

6796. Also, petition of the San Joaquin County Industrial Union Council, Stockton, Calif., petitioning consideration of their resolution with reference to Federal Housing; to the Committee on Banking and Currency.

6797. Petition of the office of the city engineer, City Hall, Los Angeles, Calif., petitioning consideration of their resolution with reference to adequate Federal-aid program under title 1 of bills S. 3105 and H. R. 7891; to the Committee on Roads.

6798. By Mr. ANGELL: Petition of the Multnomah Civic Club of Portland, Oreg., petitioning the Congress to appoint a special committee of the House and Senate to study the money problem; to the Committee on Banking and Currency.